



# **Daily Report—**

# **China**

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# Daily Report

## China

FBIS-CHI-95-163

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23 August 1995

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## General

### Further Comments From Foreign Ministry Spokesman

#### Deng Xiaoping in 'Good Health'

OW2308014495 Beijing ZHONGGUO XINWEN SHE in English 0129 GMT 23 Aug 95

[FBIS Translated Text] Beijing, August 22 (CNS) — In reply to a question of the health of Deng Xiaoping, a spokesman for the Ministry of Foreign Affairs Chen Jian said this afternoon that Deng Xiaoping was still in good health.

Today is Deng's birthday and he turns 91.

#### Further on Deng's Health

OW2308010595 Tokyo NHK General Television Network in Japanese 1000 GMT 22 Aug 95

[Announcer-read report; from "NHK News" program]

[FBIS Translated Text] Today is the 91st birthday of China's leader Deng Xiaoping. A spokesman for the Chinese Foreign Ministry said Mr. Deng is still in good health and stressed there is no major change in his health condition.

[Begin recording] [words indistinct] He is one year older. [words indistinct] But his health is still good. [end recording]

Saying so in a regular news conference today, Chen Jian, a spokesman for the Chinese Foreign Ministry, stressed there is no major change in the condition of Mr. Deng Xiaoping.

Mr. Deng has not appeared in public since Lunar New Year's day in February 1994. As a result, in Hong Kong and elsewhere, there have been frequent rumors that Mr. Deng is unwell.

However, there have also been reports that he met President Jiang Zemin just before his 91st birthday. There has been much speculation about his health.

#### On Cross-Strait Communications

OW2308042895 Beijing ZHONGGUO XINWEN SHE in Chinese 1106 GMT 22 Aug 95

[FBIS Translated Text] Beijing, 22 Aug (ZHONGGUO XINWEN SHE) — Foreign Ministry spokesman Chen Jian said here today that communications exist objectively between the motherland on the mainland and Taiwan at all levels, and that the problem of not having quick access to information does not exist.

The spokesman said: There is only one China in the world. The PRC is the sole legitimate representative

of China. Upholding the reunification of China is in the interests of all Chinese people and something about which they are concerned [gan qing zhi suo xi 1949 1906 0037 2076 4762]. It is precisely over this fundamental issue that Li Denghui's [Li Teng-hui's] connivance of and support for pro-Taiwan independence elements to split the motherland harms the fundamental interests and national sentiments of the Chinese people.

Chen Jian said: We have noticed the development of a situation on the island of Taiwan. He stressed, China resolutely opposes "two Chinas;" "one China, one Taiwan;" or the Taiwan independence tendency.

He disclosed that, in a recent meeting, President Jiang Zemin had a conversation with Singapore President Ong Teng Cheong about wide-ranging issues, including mainly Sino-Singapore and Sino-ASEAN relations.

In reply to a reporter's question on whether the motherland on the mainland and Taiwan are prepared to let Singapore and others act as a mediator or messenger when their relations are downgraded, Chen Jian replied: Every year, a large number of personnel come from Taiwan to the motherland on the mainland. Communications exist at all levels.

#### Qian, Jiang Meet 49th UN Assembly President

HK2308014095 Beijing CHINA DAILY in English 22 Aug 95 p 1

[By Xu Yang: "A Fair Say For All Is Key to UN Reforms"]

[FBIS Transcribed Text] The reform of the United Nations Security Council should address the need for different world regions to be fairly represented, China's Foreign Minister Qian Qichen said yesterday. He said the re-shaping of the UN agency must take into account the interests and representation of the developing countries.

Qian and Chinese President Jiang Zemin expounded China's stance towards the role of the United Nations past and present as well as the UN reform issue during separate meetings yesterday with the visiting President of the 49th UN Assembly and Foreign Minister of Cote d'Ivoire Amara Essy.

Jiang told Essy, who is here at the invitation of the Chinese Government, that the UN has been playing an irreplaceable role in easing regional conflicts, de-colonializing the globe, encouraging international co-operation and settling economic, social and environmental problems confronting the world.

"As the 21st century draws near, we hope that the United Nations can contribute more to world peace, stability

and co-operation between all countries according to the principles of the Charter," Jiang said.

Qian, during a morning talk with Essy, said that while emphasizing world security and peace, the issue of poverty should be given more attention, particularly the economic and social development of developing countries.

Essy, whose one-year term began last September, thanked China for its support during his period of office.

He told Jiang and Qian that a strengthened General Assembly and a more efficient UN were being considered in New York.

He also praised China's long-held stance to safeguard the interests of developing countries within the UN framework.

#### **UN Delegate Comments on Harry Wu Case**

*OW2308045395 Beijing China Radio International in Mandarin to Hong Kong, Macao, the Zhu Jiang Delta, and Southeast Asia 0900 GMT 22 Aug 95*

[From the "News and Report on Current Events" program]

[FBIS Translated Text] (Pang Sun), a member of the Chinese delegation speaking at the 47th meeting of the UN Human Rights Commission in Geneva on 21 August, refuted the groundless accusation of China's judicial system made by a few nongovernmental organizations and American experts over the Wu Hongda [Harry Wu] issue.

The Chinese delegate pointed out: Wu Hongda has confessed that to slander China, he lied about products made by prisoners which are actually ordinary goods sold in China's market. He filmed the scene of an ordinary heart surgery in a Chinese hospital and alleged that it was a kidney transplant in which the kidney of an executed person was used. He entered China more than once under someone else's name, and even dressed himself in a Chinese police uniform and entered regions not open to foreigners to steal intelligence.

The Chinese delegate added: Wu Hongda was arrested based on charges of crimes committed in China. For this reason, he must be prosecuted and tried according to Chinese law. It is not that he may do as he pleases in other's countries merely because he holds a U.S. passport and works for Americans. In the past, an American soldier could go scot-free after raping a Chinese female college student. However, it is different today than in the past and exerting pressure

and interfering with China's judiciary will no longer work.

#### **United States & Canada**

**U.S. Press Urged To End 'Hegemonic Psychology'**  
*OW2208171795 Beijing XINHUA in English*  
*1657 GMT 22 Aug 95*

[*"Commentary: Cold War Thinking, Hegemonic Logic"* — XINHUA headline]

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — Sino-U.S. Relations are at the lowest ebb since the two countries established diplomatic ties 16 years ago, as the U.S. Administration seriously violated the principles laid down in the three Sino-U.S. Communiques by allowing Li Teng-hui into the United States for a visit last May.

At the same time, certain columnists, scholars and critics have published a series of articles in influential U.S. journals like "TIME" magazine, "NEW YORK TIMES" and "WASHINGTON POST," which distorted facts and attacked China, adding to the present adverse current against China in the United States.

All this cannot but put people on alert.

The main craft employed by the few people in the U.S. press circles was little more than besmirching China and misleading the public. They calumniated China as a "new evil empire," "a temperamental emerging superpower," having "belligerent behavior." They alleged that "there is no more important strategic challenge for the 21st century than how to handle the rise of China."

The abuses such as "evil empire" are not worth refuting, as they are hackneyed expressions picked up from the dustbin of the Cold War. To put it bluntly, what made the slanderers gnash their teeth was precisely their fear of the "rise of China."

It is well-known that the Chinese people won their right of development only after driving big Western powers out of China through a century-long hard struggle. It is the common aspiration and shared goal of the 1.2 billion Chinese people to build their motherland into a prosperous and powerful country.

And China's development and growth contribute to peace, development and stability in Asia and the whole world as well. China does not and will never constitute a threat to the security of its neighboring countries, still less to the United States which is far away on the other side of the Pacific.

However, the authors of the U.S. articles, who appeared like "defenders" of world peace, turned a blind eye to

the above-mentioned facts. They screamed "threats" at a time when China had just made some initial successes in its economic and social development. In their opinion, it seems that only the United States has the right of development while China does not, and China has to remain permanently poor and backward and bow to the subjugation and exploitation of big Western powers. What is this if it is not the typical logic of hegemonism?

Developing countries, including China, maintain that the rights of survival and development are the basic human rights. Yet a small number of people in U.S. media, while glibly professing human rights, try to deprive others' right of development by hook or by crook. Is this self-contradiction not a revelation of the hypocrisy of the hegemonists?

While spreading the allegation of "China's threat", these people have also been energetically agitating the U.S. Administration to toughen its policy toward China and "contain" it. Some therefore proposed the restoration of the Southeast Asia Treaty Organization in preparation for future use. An article carried in the "TIME" magazine even openly clamored for "undermining" the Chinese government.

As a matter of fact, there is nothing new in what has been advocated by those consultants. It is just the ghost of the Cold War that has found its reincarnation under new circumstances.

Following the founding of the People's Republic of China in 1949, the United States tried hard for a long period of time to contain, blockade and undermine China militarily, economically and politically. Nonetheless, China has not only survived but got increasingly stronger, and grown into an important force in maintaining world peace and promoting international economic development.

In 1954, the United States rigged up the anti-Communist and anti-China Southeast Asia Treaty Organization. But soon this seemingly-in-harmony bloc went sour, existing only in name before it eventually disbanded in 1977. If most Asian countries refused to join this anti-China grouping at that time, how could they get interested in it today?

In an attempt to "contain" China, some press persons in the United States unscrupulously trumpeted the need to recognize Taiwan as a country. They defended Li Teng-hui's America visit and jumped in anger at criticisms directed against Li. However, ignorant and prejudiced, these apologists made a miscalculation.

Taiwan has always been an integral part of China. This is not only acknowledged by the people on both sides of

the Taiwan Straits, but has long been widely recognized by the international community.

The U.S. Administration acknowledged in the three Joint Communiques between China and the U.S. that there is only one China in the world, Taiwan is part of the Chinese territory and the People's Republic of China is the sole legitimate government of China.

Li Teng-hui's so-called "private" visit to the United States was a major step he took Li to split China and sabotage the reunification cause of the motherland. It was only natural for this plot to be strongly condemned by the people on both sides of the Taiwan Straits.

In what way are the Chinese people wrong to defend their sovereignty over Taiwan and oppose interference in their domestic affairs? One is tempted to ask those "writers" who want Taiwan to be independent: Are you going to advise the U.S. Government to support independence for the Long Island or Hawaii if some people there demand it?

It is not unusual for the fallacy on Taiwan to come out in America since a handful of Americans have always regarded Taiwan as an "unsinkable aircraft carrier" for the United States and the reunification of China a heaven-shaking disaster.

The articles in the American press crying for expanded and deepened relations with Taiwan are more than a manifestation of the individual prejudice of the writers. They are a reflection of the gloomy mentality of the anti-China forces in the United States and the ugly performance of the U.S. hegemonists.

As the world has been evolving toward multi-polarization since the end of the Cold War, the hegemonists are becoming increasingly unpopular. In America, quite a few sensible people have written to oppose the proposed "containment" strategy against China, urging the U.S. Government to handle its China policy from a realistic approach and make efforts to improve and develop U.S.-Chinese relations.

We would like to advise those Americans with an anti-China mentality to give up their anachronistic way of thinking and hegemonic psychology so that Cold War II can be avoided.

**Commentary Chides U.S. 'Logic of Hegemony'**  
*OW2308025795 Beijing XINHUA Domestic Service  
 in Chinese 1516 GMT 21 Aug 95*

[**"Commentary"** by reporter Ji Wen (4764 2429): The Cold War Mode of Thinking and the Logic of Hegemony" — XINHUA headline]

[FBIS Translated Text] Beijing, 21 Aug (XINHUA) — The permission granted by the U.S. Government in May of this year for Li Denghui [Li Teng-hui] to visit the United States seriously violated the principle established by the three Sino-U.S. joint communiques. As a result, Sino-U.S. relations were downgraded to their lowest level since the two countries established diplomatic relations 16 years ago. Meanwhile, some U.S. columnists, scholars, and commentators successively published articles in such influential newspapers and periodicals as the weekly TIME, THE NEW YORK TIMES, and THE WASHINGTON POST, distorting truths, attacking China, and adding fuel to the flames of an adverse current against China in the United States. This cannot but cause people to be vigilant.

The trick, used by a small number of people in U.S. press circles, was mainly to indulge in unbridled mud-slinging to confuse public opinion. They calumniated China as a "new evil empire" and a "pugnacious" "superpower which is on the rise and easily gets excited," and declared "nothing is more important than a strategy to deal with the rise of China in the 21st century." Such abuses as "an evil empire" are not worth refuting because they are merely cliches picked up from the garbage heap of the Cold War. The reason those who flung abuses gnashed their teeth at China is, to put it bluntly, that they are worried about "the rise of China."

As everyone knows, the Chinese people drove away the Western big powers and won the right to promote development after having fought many bloody battles for more than a century. Building China into a prosperous and powerful nation is the common aspiration of 1.2 billion Chinese people and the objective after which they strive. The development and growth of China will also be conducive to peace, development, and stability in Asia and the rest of the world. China will not pose a threat to the security of its neighbors and, least of all, the United States, which is located on the other side of the Pacific Ocean, now or in the future.

However, the writers of those articles who consider themselves "defenders" of world peace turn a blind eye to these basic facts. When China began to achieve some developments, they shouted in alarm that a "threat" was imminent. In their eyes, it seems that the United States is the only country that has the right to promote

development and that China does not have such a right, can only remain poor and backward forever, and can only allow itself to be oppressed and exploited by the Western big powers. If this is not the typical logic of hegemony, what else can it be? The vast numbers of the developing countries, including China, believe the right to exist and develop is the most basic of human rights. However, while prating about human rights, the small number of people in the U.S. press circles deprive others of their right to development by every possible means. Does not such a self-contradictory practice precisely expose the hypocrisy of a hegemonist?

While disseminating their "argument of a China threat," the small number of people in the U.S. press circles did the best they could to incite the U.S. authorities to "adopt a tough policy on China again" by implementing a "containment" policy. To this end, some of them suggested that the "Southeast Asia Treaty Organization [SEATO]" be reinstated to "stand ready for use." The writer of an article carried by the weekly TIME even openly clamored for "subverting" the Chinese Government. In fact, all these ideas by advisers' in the United States were nothing new. They were the revival of Cold War phantoms in a new guise under the new situation.

After World War II ended, the United States tried to contain, blockade, and subvert China militarily, economically, and politically. In the end, instead of being toppled by these sanctions, China waxed stronger day by day and became an important force for safeguarding world peace and promoting international economic development. In 1954, the United States knocked together the "SEATO," aimed at fighting communism and China, but the bloc, whose members appeared united outwardly but were divided at heart, soon ceased to exist except in name. It died a natural death in 1977. If most Asian nations refused to participate in such an anti-China organization at that time, which one of them will be interested in it now?

To "contain" China, the small number of people in the U.S. press circles indulged in unbridled propaganda for the "recognition of Taiwan as a state." They defended Li Denghui's U.S. visit and were indignant at the just public opinion inside and outside China criticizing Li. In this case, it may be said that clever people really like clever people. However, these ignorant and prejudiced people who wagged their tongues too freely made a miscalculation. Taiwan has all along been an inalienable part of China's territory. This is not only a common understanding of the people on both sides of the Taiwan Straits, but a fact already recognized by the international community. In the three Sino-U.S. joint communiques, the U.S. Government also admitted that there is only

one China in the world, that Taiwan is a part of Chinese territory, and that the PRC is the sole legitimate Government of China.

Not long ago, Li Denghui made a so-called "private visit" to the United States. It marked an important step by him to split China and disrupt the great undertaking for the reunification of the motherland. His plot was strongly condemned by people on both sides of the Taiwan Straits as it ought to be. Have the Chinese people done anything wrong in safeguarding their own sovereignty and opposing other countries' interference in China's internal affairs over the Taiwan issue? In case there are also some people in Long Island or Hawaii agitating for [Taiwanese] independence, may we ask those "effective writers" in the United States who advocate "Taiwanese independence" a question: Will you also persuade the U.S. Government to support them?

Of course, it is not strange that such a fallacy to be heard in the United States, because an extremely small number of people have always considered Taiwan "an unsinkable aircraft carrier" of the United States. They look upon China's reunification as a catastrophe. It may be said that those articles which did their utmost to clamor for "expanding and strengthening" relations with Taiwan reflected not only the personal prejudice of their writers, but the sordid mentality of the force in the United States which opposes and hates China as well as the ugly features of U.S. hegemonists.

Since the Cold War ended, the world has been moving along a course toward pluralization amid turmoils, and those who practice hegemony have become increasingly unpopular. In the United States, recently, there were also quite a number of people with breadth of vision who published articles opposing the adoption of a "containment" strategy against China and calling on the government to soberly handle its China policy in a realistic attitude and to improve and develop U.S.-Chinese relations. To those extremely small number of Americans who still tenaciously cling to the Cold War mode of thinking and are still obsessed with the mentality of hegemony, we want to jolt them and talk to them sharply: "You are advised not to play the tune of a bygone era;" otherwise, you will only become rigid historical fossils and will be discarded by a world full of vitality.

#### 'Anti-China Trend' in U.S. Attacked

BK2308083295 Hong Kong AFP in English  
0741 GMT 23 Aug 95

[By Giles Hewett]

[FBIS Transcribed Text] Beijing, Aug 23 (AFP)—U.S. Under-secretary of State Peter Tarnoff headed for China on Wednesday for a get-friendly visit that was suddenly chilled by a grim warning from Beijing that bilateral ties faced a looming "Cold War II."

Tarnoff — the most senior US official to visit China since relations plummeted after Taiwanese President Li Teng-hui visited the United States in June — is tasked with following up a meeting this month between Foreign Minister Qian Qichen and his US counterpart Warren Christopher.

But his job was made no easier Wednesday when the official Xinhua news agency published a vitriolic attack on what it branded an anti-China trend in the United States.

"We would like to advise those Americans with an anti-China mentality to give up their anachronistic way of thinking and hegemonic psychology so that Cold War II can be avoided," the Xinhua commentary said.

It also characterised Sino-US relations as being "at their lowest ebb since the two countries established diplomatic ties 16 years ago."

Li's visit to the United States and "attacks" on China by columnists, scholars and critics in influential US newspapers and magazines "cannot but put people on alert," the commentary said.

The attacks, said Xinhua, characterized China as the "new evil empire," and "a temperamental emerging superpower" with "belligerent behavior," and said that "there is no more important strategic challenge for the 21st century than how to handle the rise of China."

They had also served to "agitate" the US administration into toughening its stance against Beijing and embarking on a policy of "containment," it added.

"Ironically, it's the Xinhua commentary that is the classic example of Cold War rhetoric," said one western diplomat here.

"The obvious message for the Tarnoff visit is that Beijing is in no mood to compromise and is still looking for Washington to make up for the Lee visit," he added.

Xinhua described Li's "private" US trip as a major step in sabotaging the reunification of China, adding: "It was only natural for this plot to be strongly condemned by the people on both sides of the Taiwan Strait."

Tarnoff is scheduled to arrive Thursday in Shanghai, where he will meet with members of the US business community and US diplomatic staff before travelling Friday to Beijing.

He is expected to meet with Vice Foreign Minister Li Zhaoxing, before leaving China on Sunday.

"We plan to follow up on the discussions that the secretary had with the Chinese foreign minister," US State Department spokesman David Johnson said last week.

Those talks in Brunei had included discussions on China's detention of US human rights activist Harry Wu — jailed in China since June 19 and facing charges of espionage.

"We have called on the Chinese to release Wu and we will continue to do so," Johnson said, adding that Tarnoff "will discuss the Wu case."

Tarnoff and Li will also likely discuss a possible summit between President Bill Clinton and his Chinese counterpart, Jiang Zemin, who is due in New York in October for events marking the 50th anniversary of the United Nations.

The secretary of state has said, however, that a Sino-American summit would be difficult to imagine as long as Wu remains in Chinese detention.

For its part, China is likely to reiterate its demand that Washington ban further visits by Taiwan government leaders — an undertaking US officials have so far refused to give.

Beijing views Taiwan as a renegade province and reacts aggressively to any move by foreign countries that could be interpreted as extending official recognition to the government in Taipei.

"One is tempted to ask those (American) 'writers' who want Taiwan to be independent: Are you going to advise the US government to support independence for Long Island or Hawaii if some people there demand it?" Xinhua said in Wednesday's commentary.

### Northeast Asia

**Murayama Expresses 'Deep Remorse' for 'Damage'**  
**HK2308074395 Beijing RENMIN RIBAO in Chinese**  
**16 Aug 95 p 1**

[By reporters Li Renchen (2621 0088 5256), Sun Dongmin (1327 2639 3046), and Zhang Guocheng (1728 0948 2052): "Japanese Prime Minister Tomiichi Mu-

rayama Answers RENMIN RIBAO Reporters' Questions on 15 August, Apologizes to the Chinese People for Japanese Aggression of China"]

[FBIS Translated Text] Tokyo, 15 Aug (RENMIN RIBAO)—Today is the 50th anniversary of the "15 August" victory of the War of Resistance Against Japanese Aggression. In a written reply to these reporters' questions here today, Japanese Prime Minister Tomiichi Murayama solemnly expressed his self-reflection of deep remorse and heartfelt apology [tong qie fan xing, zhong xin dao qian 4027 0434 0646 4164 5907 1800 6670 2959] for the tremendous damage and suffering [ju da sun hai he tong ku 1565 1129 2275 1364 0735 4027 5388] Japanese aggression caused the Chinese people.

This is the first time a Japanese prime minister has explicitly apologized for Japanese aggression against China.

**[RENMIN RIBAO] What are your impressions, Prime Minister Murayama, on the occasion of the 50th anniversary of the end of the war in Japan?**

[Murayama] On the occasion of the 50th anniversary of the end of World War II, to once again express my feelings to people at home and abroad, I, as prime minister, have issued the "Prime Minister's Talk." As I said in the talk, for a period of time in the past, our country's colonial rule and aggression caused tremendous damage and suffering to the people of many countries, especially China and other Asian countries. Japan should modestly approach [qian xu dui dai 6197 5711 1417 1769] this fact and carry out self-reflection of deep remorse [jin xing tong qie fan xing].

Moreover, I would like to express once again my deep gratitude for the support and cooperation all countries gave our country after Japan was defeated in the war. At the same time, from the bottom of my heart I am pleased at the friendly relations today that Japan has built with its neighbor countries in the Asia-Pacific region, including China.

In this important year 50 years after the war, I think we should cherish such a feeling and, at the same time, Japan must in the future do its utmost for world peace and prosperity.

**[RENMIN RIBAO] What do you, Prime Minister Murayama, think China and Japan and their peoples should do to develop forward-looking Sino-Japanese relations?**

[Murayama] It is necessary to modestly look at historic facts, learn from the lessons of history, and never repeat the errors of the past. This is the foundation for developing Japanese-Chinese relations. I believe

the two governments and peoples should act with this understanding and deepen mutual trust and cooperation through exchanges at all levels. This is most important for the future of Japanese-Chinese relations.

Japan and China and their peoples are engaged in multi-level, wide-ranging, and extensive exchanges. The Japanese Government will actively support exchanges between the two peoples, especially between the younger generations who will undertake the 21st Century, through this year's "Peace, Friendship, and Exchange Initiative."

**[RENMIN RIBAO] On the occasion of the 50th anniversary of 15 August, what do you, Prime Minister Murayama, have to say to the Chinese people?**

[Murayama] China has maintained contact with our country since ancient times. I would especially like to express the following feelings to the Chinese people linked with historical ties:

On the occasion of the 50th anniversary of the end of World War II, I express my self-reflection of deep remorse and state my heartfelt apology for the tremendous damage and suffering to the Chinese people caused by my country's colonial rule and aggression.

During my May visit to China, I visited Lugou Bridge [Marco Polo Bridge], one of the symbols of the past war, reviewed history, and made up my mind once again to promote peace. This is extremely significant. In the future, I shall continue on the basis of a sincere understanding of history to do my utmost to develop forward-looking Japanese-Chinese relations.

**Liu Huaqing Praises CPC's Role in War**

*OW2308033095 Beijing XINHUA in English  
1648 GMT 22 Aug 95*

[FBIS Transcribed Text] Taiyuan, August 22 (XINHUA) — The Communist Party of China (CPC) and the armed forces and people led by it were the mainstay of China's War of Resistance Against Japanese aggression [World War II] 50 years ago, Liu Huaqing, vice-chairman of the Central Military Commission said here today.

The CPC and the armed forces and people under its leadership made immortal contributions to the independence and complete liberation of the Chinese nation as well as to the victory in the World Anti-Fascist War, he said.

Liu, also a member of the Standing Committee of the Political Bureau of the Central Committee of the CPC, made the remarks at a meeting marking the 50th

anniversary of the victory of the war against Japanese invaders and the 58th anniversary of the establishment of the headquarters of the Eighth Route Army in Taihang of north China's Shanxi Province.

He said that the armed forces and people in Shanxi fostered a close relationship like that between fish and water in the war.

Under today's new circumstances, Liu said that the army and the people should join hands in the drive to build up both material and cultural civilization in China.

Today's ceremony, chaired by Hu Fuguo, secretary of the Shanxi Provincial Committee of the CPC, was attended by over 2,600 people, including Shanxi Governor Sun Wensheng.

**China To Assist Mongolia With Projects**

*OW2308051495 Beijing XINHUA in English  
0425 GMT 23 Aug 95*

[FBIS Transcribed Text] Ulaanbaatar, August 23 (XINHUA) — China will assist Mongolia in setting up 16 projects, including a hydropower station, a veterinary medicine factory and a trade service center.

The two governments exchanged notes on the projects here on Tuesday in which China committed to provide all equipment and building materials.

China will also send technical personnel to Mongolia to oversee the installation of the equipment and test it out.

The cost of the projects will be covered in the 130 million yuan (15.6 million U.S. dollars) loans provided by China between 1991 and 1994.

**Vice President Rong Yiren Meets ROK Visitors**

*OW2308085695 Beijing XINHUA in English  
0714 GMT 23 Aug 95*

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — Chinese Vice-President Rong Yiren met here today with Republic of Korea participants at the fourth meeting of the China-Korea Forum.

The China-Korea Forum is an annual symposium which was founded by the Chinese Academy of Social Sciences and the ROK's Research Institute of Modern China in 1992. Participants include scholars, congressmen, and entrepreneurs.

Rong spoke highly of the role of the forum in increasing mutual understanding between the people of China and those of ROK as well as its helping increase friendly relations and cooperation between the two nations.

It is significant that the fourth meeting, which ended here today, focused on commemorating the 50th anniversary of the victory in the War of Resistance to Japan and marked the third anniversary of the founding of diplomatic relations between China and ROK, Rong added.

The ROK delegation at the fourth session was led by the president of the forum Kim Chong-won.

### Southeast Asia & Pacific

#### Jiang Zemin Meets Indonesian Visitors

*OW2308084995 Beijing XINHUA in English  
0651 GMT 23 Aug 95*

[FBIS Transcribed Text] Beijing, August 23 (XINHUA)

— Chinese President Jiang Zemin met with an Indonesian delegation led by Sukamdani Gitosardjono, president of the Indonesia-China Economic, Social and Cultural Cooperation Association (ESCC) here today.

During the meeting, Jiang said that since the restoration of diplomatic ties between China and Indonesia, leaders of the two countries have maintained frequent contacts and exchange of visits, which have constantly increased mutual understanding, trust and friendship, and further enhanced bilateral friendly cooperation.

The Chinese President welcomed entrepreneurs and business people from Indonesia to invest in China.

The Indonesian guests are here attending a China-Indonesia joint seminar on trade, economy and investment at the invitation of the China-Indonesia Economic, Social and Cultural Cooperation Association.

Sukamdani said that his delegation has come to attend the second annual meeting of the associations of China-Indonesia and Indonesia-China Economic, Social and Cultural Cooperation (ESCC) and China-Indonesia joint seminar. Both Indonesian and Chinese entrepreneurs have explored possibilities for bilateral cooperative prospects in economy, trade and investment.

Some 50 members of the delegation from the Indonesia-China ESCC association, mainly renowned Indonesian entrepreneurs and businessmen, and more than 60 personalities from Chinese enterprises, economic and trade circles and government departments have taken part in the seminar.

#### Li Ruihuan, Lao Official Discuss Ties

*OW2208114195 Beijing XINHUA in English  
0901 GMT 22 Aug 95*

[FBIS Transcribed Text] Beijing, August 22 (XINHUA)

— Li Ruihuan, chairman of the National Committee of the Chinese People's Political Consultative Conference,

met with Maysouk Saysompheng, chairman of the Laotian Front for National Reconstruction (LFNR), and his party at the Great Hall of the People here today.

During the meeting, Li expressed satisfaction with the smooth and highly-effective cooperation between China and Laos in various ways in recent years.

At present, he said, China and Laos face similar tasks of developing the national economy and improving the livelihoods of their people, and the two countries hold many similar or identical views on international affairs.

He noted that there is, therefore, a firm foundation for the two countries to increase their friendly and cooperative ties, which is also a common need of the two peoples.

According to Li, there have been constant high-level exchanges between the CPPCC and LFNR since they first set up relations, and the friendly ties have seen a smooth development, and he expressed the conviction that the visit by Maysouk will improve the friendly, cooperative relations between the two organizations.

Maysouk said the visit by Laotian President Nouhak Phoumsavan to China this July ushered in a new era in bilateral relations. He believes that the friendly ties between the two will further develop through exchange of experience and enhanced cooperation.

The Laotian guests arrived in Beijing on August 19 at the invitation of the CPPCC National Committee.

#### Singapore President Continues Official Visit

##### Jiang Zemin Meets Ong, Lee

*HK2308013895 Beijing CHINA DAILY in English  
22 Aug 95 p 1*

[By Ma Chenguang: "Jiang and Ong Hail Closer ASEAN Links"]

[FBIS Transcribed Text] China attaches great importance to developing ties with countries of the Association of Southeast Asian Nations (Asean), and sees it as a common goal with them to safeguard regional peace, stability and achieve mutual prosperity, President Jiang Zemin said in Beijing yesterday.

Meeting visiting Singaporean President Ong Teng Cheong and Senior Minister Lee Kuan Yew in Beijing, Jiang affirmed China believes enhancing "long-term and stable" relations with Asean members is a major factor in stabilizing the country's surrounding environment.

This is also in their most fundamental common interest, Jiang stressed.

He also reiterated that Sino-Singaporean ties, which are based on equality and mutual benefit, will usher in continuous development and hold bright prospects.

China and Singapore established diplomatic ties in 1990.

President Ong and his entourage, including Senior Minister Lee, arrived yesterday in Beijing for an eight day tour at Jiang's invitation. It is Ong's first visit to China as president.

Most believe the trip will add new incentives to Sino-Singaporean ties, which have enhanced political friendship and an economic honeymoon when more than 1,400 Singapore investors have poured \$1.18 billion out of a committed investment of \$3.78 billion into China.

Bilateral trade volume during the first half of this year hit \$3.01 billion, a 30 per cent rise over the same period last year. In 1994 bilateral trade totalled \$5.05 billion.

Also, a number of joint venture projects will be signed during Ong and Lee's visit in Beijing and at outside [as published].

During formal talks at the Great Hall of the People Jiang praised the all-around progress of bilateral ties and exchanges during the past five years, especially in the economic and trade sectors.

He is glad Suzhou Industrial Park in Jiangsu Province, invested in by Singapore, is progressing well and that Singapore also increased its investment in China's Shandong Province and coastal regions.

The frequent exchange of visits between high-ranking officials has added new vigor to bilateral relations, Jiang stressed.

President Ong also affirmed Singaporean-Sino ties are widening steadily. Besides trade and economic relations, co-operation in scientific, educational and cultural sectors also is progressing smoothly.

Jiang, who paid a state visit to Singapore last November, added he was impressed by Singapore's friendship towards China and its economic achievements.

The Chinese President reiterated the Chinese people hope China and all Asean members can forever be "good neighbours and friends" while adhering to ways of equality, mutual respect and benefit.

President Ong and Senior minister Lee are expected to meet Qiao Shi, Chairman of the National People's Congress Standing Committee, and Premier Li Peng today.

#### Further on Meeting

*BK2208120695 Singapore BUSINESS TIMES  
in English 22 Aug 95*

[Report by Teh Hoci Ling in Beijing — received via Internet]

[FBIS Transcribed Text] Singapore President Ong Teng Cheong, who arrived here yesterday for an eight-day state visit, held wide-ranging talks with Chinese President Jiang Zemin in a closed-door session which lasted almost twice as long as the half-hour scheduled time. The 50-minute discussion, at the Great Hall of the People, covered bilateral relations between Singapore and China, the China-Taiwan situation, as well as the domestic situation in China.

In his opening remarks, Mr Ong described the bilateral relations between Singapore and China as "excellent".

He said the good relations was partly a result of the close personal relationship between the political leaders of both countries". And that led to good working relations between officials at all levels.

"I believe this is due to the regular exchange of visits of leaders of both our countries, and I hope this will continue," he said.

A Singapore delegation spokesman said Mr Ong also added that he was happy with the progress of Singapore's economic projects in China, namely the Suzhou Industrial Park and Shandong projects.

On China's domestic issues, Mr Ong expressed his concern for the casualties of the floods in Jilin and Liaoning Province. Mr Jiang was quoted as saying that in the last six years, there has been at least one natural disaster every year — either floods or drought.

Fortunately, China is a big country, he said, and so regions could supplement one another.

Mr Jiang noted that 1995 was the last year of China's eighth Five Year Plan. In the coming five years, China will concentrate on the overall development of the economy, including agriculture.

Turning to a more sensitive issue, Mr Ong said he understood that the tension across the Taiwan Straits was increasing and asked about China's position on that issue.

In response, Mr Jiang said he had made his point, and that of China's, clearly in his Chinese New Year's Eve speech this year. In that speech, he said China and Taiwan should be reunited peacefully and that there would only be one China.

Yesterday's meeting was held soon after the Singapore president arrived, accompanied by Mrs Ong, Senior Minister Lee Kuan Yew and Mrs Lee.

Others in the delegation include Minister for Foreign Affairs S. Jayakumar; Acting Minister for the Environment Teo Chee Hean and Mrs. Teo; and Chairman of the Council of Presidential Advisors Lim Kim San.

At a welcome ceremony at the east entrance of the Great Hall of the People, Mr Ong was given a 21-gun salute. He inspected a guard-of-honour comprising personnel of the People's Liberation Army.

Today, Mr Ong will meet with Qiao Shi, chairman of the National People's Congress, while Prof Jayakumar will meet with his counterpart, Qian Qichen.

#### **Li Peng, Ong Discuss Ties**

*OW2208155395 Beijing XINHUA in English  
1519 GMT 22 Aug 95*

[FBIS Transcribed Text] Beidaihe, August 22 (XINHUA/OANA) — Chinese Premier Li Peng said here today that Sino-Singaporean reciprocal co-operation will enjoy broader prospects if the two combine their complementary advantages.

Li made the remark here this afternoon when meeting with visiting Singaporean President Ong Teng Cheong and Senior Minister Lee Kuan Yew, who are, in Li's words, old friends of the Chinese people.

Noting that Chinese President Jiang Zemin held fruitful talks with Ong and Lee on Monday, Li expressed his belief that the current visit would make new contributions to the development of bilateral relations.

Li pointed out that since the two countries established diplomatic relations five years ago, bilateral co-operation in various fields have been progressing smoothly.

He went on to say that leaders of the two sides have had regular meetings, and discussed bilateral and international issues, which has been beneficial to both sides.

On China's development prospects and plans, Li said China will continue to enjoy political stability and economic development provided that it can properly handle the relations among reform, development and stability.

Fundamentally, the growth of the economy and national power relies on the development of education, science and technology, said Li, adding that China will adhere to a strategy centered on revitalizing China with science and technology.

Li noted that China is rich in market potential, labor force and scientific research, while Singapore has advantages in capital, management and information.

He voiced the opinion that Sino-Singaporean reciprocal co-operation will enjoy broader prospects if the two combine their complementary advantages.

During the meeting Ong attributed the smooth development of bilateral relations since the two countries set up diplomatic relations to the close contacts between leaders of the two sides.

Ong continued that the meeting here once again proved the good relations between the two countries and leaders of the two sides.

Speaking highly of China's achievements, Ong and Lee expressed their belief that since bilateral co-operation is developing comprehensively, such co-operation will inevitable produce practical results.

They went on to say that dozens of Singaporean entrepreneurs included in Ong's entourage have come here cherishing the hope of enhancing understanding and strengthening co-operation with their Chinese counterparts.

They said they believed that the Singaporean entrepreneurs' visit to China will have beneficial results.

Before the meeting Li Peng also met with the Singaporean business people and delivered a speech, in which he said that businessmen of the two countries have good co-operative relations, and that he hoped that they would explore all possibilities for co-operation with North China's Hebei Province.

Li said he believes such co-operation would be successful.

After the meeting Li hosted a banquet in honor of the Singaporean visitors, who arrived in this coastal resort in Hebei Province this afternoon from Beijing by special plane.

#### **Sub-Saharan Africa**

**Zambian Defense Minister Makes Official Visit**

**Meets Chi Haotian**

*OW2108080095 Beijing XINHUA in English  
0658 GMT 21 Aug 95*

[FBIS Transcribed Text] Beijing, August 21 (XINHUA) — Chinese Defense Minister Chi Haotian held talks with his Zambian counterpart B. Y. Mwila here this morning [21 August].

The two defense ministers exchanged views on promoting the relations of cooperation between the two countries and armed forces.

Referring to the issue of Taiwan, Chi said that this is China's internal affairs, which must only be settled by the Chinese themselves. Any involvement by foreign countries constitutes an interference in China's internal affairs, Chi added.

The purpose of the Taiwan authorities' "money diplomacy" is to create "two Chinas" or "one China, one Taiwan", which will never be permitted by Chinese government and people, Chi stressed.

Chi expressed his appreciation for the "one China" stand of the Zambian government which he said is the foundation on which to develop Sino-Zambian ties.

Mwila reaffirmed that his country would continue to adhere to its "one China" position and Taiwan is an inalienable part of China.

Mwila and his party are here on an official goodwill visit as guests of General Chi.

#### Meets Li Peng

OW2208115695 Beijing XINHUA in English  
1136 GMT 22 Aug 95

[FBIS Transcribed Text] Beijing, August 22 (XINHUA) — Chinese Premier Li Peng said here today that China attaches great importance to developing its friendly ties and cooperation with the African developing countries including Zambia.

At whatever time, China does not change this policy, said Li while meeting with visiting Zambian Defence Minister Benjamin Mwila here today.

Li said that China and Zambia share traditional friendship which has stood the test of time, and expressed belief that Mwila's current visit to China will play an important role in boosting cooperation between the two armed forces and deepening friendship between the two countries.

The Premier said that China has rendered within its ability assistance to Zambia. But, he added: "it is our consistent view that help and support are mutual."

The two countries have cooperated very well not only in their relationship, but also in international arena.

"The Chinese Government appreciates the 'One-China' policy that the Zambian government has been pursuing," he said.

Noting the successful visit to Zambia and several other African countries by Chinese Vice-Premier Zhu Rongji not long ago, Li said: "we hope that the Sino-Zambian relations will grow further on the existing basis."

Mwila said that over the past decades both Zambia and China have maintained sound relations, adding that despite great changes taken place in the world, the bilateral friendly ties have not been changed.

He said the Zambian government places great importance on developing its cooperation with China in military and other aspects.

He pointed out that Chinese Vice-Premier Zhu Rongji's visit to a number of African countries not long ago fully shows that China very much cherishes its friendship with Zambia and other African countries.

Chi Haotian, State Councillor and minister of National Defence, attended the meeting.

#### Meets Rong Yiren

OW2308085595 Beijing XINHUA in English  
0707 GMT 23 Aug 95

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — Chinese Vice-President Rong Yiren in a meeting with Zambian Defense Minister Benjamin Mwila said that the Taiwan issue can affect the feelings of the Chinese people, and that China appreciates the "one China" position of the Zambian government and of Mwila himself.

Mwila reiterated Zambia's promise to adhere to the "one China" policy. Zambia believes that to have official relations with Taiwan is interfering in China's internal affairs, he said.

On bilateral relations, Rong said that China-Zambia relations have been growing smoothly since the two countries established diplomatic ties.

The frequent exchange of visits between leaders of the two countries shows that bilateral ties are growing even closer, he noted.

With their many similarities, Rong added, the two developing nations have given support to each other and should continue to support the relations between the two countries and the two armed forces through joint efforts.

Mwila had separate meetings with Chinese Premier Li Peng and Defense Minister Chi Haotian during the past two days. He is scheduled to leave here later today.

**Political & Social**

**Qiao Shi at NPC Standing Committee Meeting**  
**OW2308101695 Beijing XINHUA in English**  
**0954 GMT 23 Aug 95**

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — The Standing Committee of the Eighth National People's Congress (NPC) is holding its 15th meeting in Beijing, starting today.

The seven-day meeting will examine drafts of six laws, including a revision of one on controlling air pollution, and a draft on punishment for the crime of forgery and falsifying value-added tax bills.

It will also listen to reports on implementing China's national economic and social development program, and reports on preparatory work by the China Organizing Committee of the UN Fourth World Conference on Women.

Qiao Shi, Chairman of the NPC Standing Committee, presided over the first plenary session of the meeting this morning.

Xiang Chunyi and Wang Shuwen, vice-chairmen of the Law Committee of the NPC Standing Committee, gave reports on the outcome of the examination of the revised draft law on air pollution and the draft law on physical culture and sports respectively. The two drafts were submitted to the tenth and 14th meetings of the NPC Standing Committee for preliminary approval.

Entrusted by Qiao Shi, Gu Angran chairman of the Commission of Legislative Affairs of the NPC Standing Committee, gave an explanation of the draft decision about punishment for the crime of forgery and faking bills for value-added taxes.

The meeting also listened to explanations of the three draft laws submitted by the State Council. They included a draft law controlling and treating solid waste pollutants, a revised draft on statistics, and a revised draft on food hygiene.

Entrusted by the State Council, Vice-Minister of Foreign Affairs Jiang Enzhu gave explanations to a Sino-Greek agreement on civil and criminal judicial assistance and a consular treaty between the People's Republic of China and the Republic of Uzbekistan, which were submitted for approval.

**Wang Hanbin Speaks at Close of Law Conference**  
**HK2308005695 Beijing CHINA DAILY in English**  
**21 Aug 95 p 1**

[By Ma Chenguang: "Meeting Outlines Law Role"]

[FBIS Transcribed Text] China will learn from the experiences of other countries as it adapts its laws and courts to a market economy, a senior Chinese lawmaker said on Saturday.

Speaking to a gathering in Beijing of representatives of Asia-Pacific legal circles, Wang Hanbin, Vice-Chairman of the National People's Congress Standing Committee, called for wider co-operation with Asia-Pacific nations and regions.

Wang said economic development and social stability in Asia and the Pacific are closely linked to progress in lawmaking and enforcement. Further economic advancement will be based on a sound legal environment.

In his address at the close of the four-day 14th LAWSIA Biennial Conference and the Sixth Conference of Chief Justices of Asia and the Pacific, Wang expressed satisfaction with the Asia-Pacific region's "booming economy, inflow of investment and burgeoning trade."

The law has become a common tool to enhance the investment environment, promote trade and capital flow, protect intellectual property rights, solve economic disputes and maintain social stability in the region, he said.

He expressed confidence that the gathering would foster regional economic and legal development.

As China devotes major efforts to establishing a socialist market economy, it is also giving priority to perfecting its legal and political systems, he said.

In the past decade, China has sped up its legislation, especially in the economic area.

But legislation is only the first step in building a legal system, Wang said, adding that law enforcement and the courts have to keep pace with it.

Reforms relating to lawyers notaries and the prison system have been introduced, he said.

The country has also been promoting public awareness of laws expanding legal research and training more legal personnel.

Zou Yu, Vice-President of the Law Association for Asia and Pacific (LAWSIA) and President of the China Law Society, said conference participants reached three points of common understanding:

— The role of law has been expanding to every aspect of society, and legal circles should better serve economic development.

— Exchanges and co-operation in the legal field should be based on mutual respect, equality, mutual benefit and seeking common ground while reserving differences.

— Exchanges and co-operation in Asia-Pacific legal circles should be improved, broadened and made more substantial.

At the closing session, Hong Kong lawyer Donald Yap, former vice-president of LAWASIA, took over the reins from Dato'Param Cumaraswamy as the new LAWASIA president.

**Hu Angang Urges End to SEZ 'Privileges'**

*HK2308010395 Hong Kong SOUTH CHINA MORNING POST in English 21 Aug 95 p 7*

[By Agnes Cheung]

[FBIS Transcribed Text] Deng Xiaoping was wrong to advocate high speed development without guarding against possible consequences such as inflation, economic imbalances, corruption and extravagance, according to a top Chinese economist.

Hu Angang, adviser to President Jiang Zemin and Vice-Premier Zhu Rongji, also said the Special Economic Zone (SEZ) policies pioneered by Mr Deng should be scrapped to end unequal competition.

The outspoken economist, of the Chinese Academy of Sciences, claimed Mr Deng would support his plan to narrow the gap between the rich and the poor if he realised how serious the disparity had become.

"Developing the economy is not like fighting a war where we have to charge and kill...although (an accelerated rate of development) is not such a great mistake as the Great Leap Forward, it's still an error," Mr Hu said, referring to Mr Deng's call for faster economic growth in 1992.

The scholar said it was necessary to correct some misinterpretations of Mr Deng's theories so the economy could maintain sustained and healthy growth without exacerbating inflation.

Deng said development is the only way. But that doesn't mean high-speed development is the only way," Mr Hu said. [quotation marks as published]

"In developing the economy, we also have to pay attention to issues like fairness, social stability and environmental protection."

The leadership now puts more emphasis on stability than on high-speed growth due to the resulting social and economic problems.

Mr Deng started the controversy in 1992 when he made his landmark south China tour and said China had to catch up with other Asian economies through high-speed growth.

Mr Hu said he did not believe the current leadership should follow the patriarch's policies rigidly.

The new generation of leaders will have their own plans for reform, he said.

The scholar stressed that he did not mean the leadership should scrap Mr Deng's policies completely and that his plan to create an open economy had been an overall success, but that the privileges enjoyed by the SEZs should be abolished to encourage fair competition.

Mr Hu said the SEZs should use their reformed economic structure, technological development and overseas contacts to maintain growth.

He said Shenzhen Party Secretary Li Youwei, among others, had been resisting calls to scrap the SEZs' privileges by citing Mr Deng's support.

In a recent interview with the Shenzhen Special Zone Daily, Mr Li denied the SEZs had helped create "privileged cliques" in China.

Under the SEZ policies these zones — Shenzhen, Zhuhai, Shantou, Xiamen and Hainan — can offer special tax breaks and import tariffs to foreign investors.

Another economist from Beijing, Lin Yifu, agreed that SEZ preferential policies should be scrapped.

"As the market in China becomes more favourable, such special policies should gradually be lifted," said Mr Lin, director of the China Centre for Economic Research at Beijing University.

But he acknowledged Mr Deng had played a crucial role in changing the state's economic policy from rigid ideologically driven central planning.

**Spokesman Says Deng's Health Still Good**

*OW2308025195 Beijing ZHONGGUO XINWEN SHE in Chinese 1108 GMT 22 Aug 95*

[FBIS Translated Text] Beijing, 22 Aug (ZXS) — Foreign Ministry spokesman Chen Jian said here today that Deng Xiaoping is still in good health.

Today is Deng Xiaoping's 91st Birthday. A reporter asked about Deng Xiaoping's health conditions at a regular Foreign Ministry news briefing this afternoon.

Chen Jian replied: He is still in good health.

#### **Health 'Astonishingly Good'**

*HK2308032295 Hong Kong LIEN HO PAO  
in Chinese 23 Aug 95 p 2*

[Dispatch from Beijing by reporter Lai Ching-hung (6351 6930 1347): "Deng Xiaoping Is Reportedly 'In Astonishingly Good Shape'"]

[FBIS Translated Text] CPC paramount leader Deng Xiaoping marked his 91st birthday yesterday. Chen Jian, director of the Information Department of the mainland's Foreign Ministry, said that Deng Xiaoping is in very good shape [shi fen liang hao 0577 0433 5328 1170]. This is another official statement on Deng Xiaoping's health made publicly by the mainland.

A reporter asked whether the mainland's official statement on Deng's health remained the same as before. Chen Jian replied humorously: "There is a change!" Deng Xiaoping is a year older but he is in good health. [quotation marks as published]

Reportedly, Deng Xiaoping's recent health is "astonishingly good [hao de rang ren chi jing 1170 4104 6245 0086 0676 7528]." A source disclosed that Deng Xiaoping met at his Beijing residence with the wife of former vice foreign minister Huang Zhen at the end of July. Without anyone's support or his walking stick, Deng walked from his room to the parlor to meet the guest. He also accompanied the guest to the courtyard. The source continued that Deng has recently resumed the normal meeting of guests and reading of newspapers. Accompanied by family members, he often strolls in the courtyard and even watches television soccer matches for long periods.

Mainland official figures say that the improvement in Deng Xiaoping's health is a good thing for the CPC leadership, which will have ample time to complete the transition to the "post-Deng period" and consolidate the position and authority of the "Jiang core."

#### **Former NPC Vice Chairman Chen Pixian Dies**

*OW2308110495 Beijing XINHUA in English  
1031 GMT 23 Aug 95*

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — Chen Pixian, a former vice-chairman of the Standing Committee of the Sixth National People's Congress (NPC), died of illness here early this morning at the age of 80.

The late NPC vice-chairman was a member of the Standing Committee of the Central Advisory Commission of the Communist Party of China (CPC), and a

member of the Secretariat of the 12th CPC Central Committee.

He was described as a long-tested and loyal communist fighter and a proletarian revolutionary.

#### **Editorial on Sino-U.S. Ties, Taiwan Issue**

*HK2308083595 Hong Kong TA KUNG PAO  
in Chinese 23 Aug 95 p a2*

[Editorial: "China Will Never Yield to Any Pressure"]

[FBIS Translated Text] While meeting with Zambian Defense Minister Ben Mwila in Beijing on 21 August, Chi Haotian, Chinese defense minister and state councillor, accused the United States of allowing the visit by Li Teng-hui, saying this served to encourage and support Taiwan authorities in their attempt to create "two Chinas" and seek "Taiwan independence." Chi said: The Taiwan issue is China's internal affair and it must be settled by the Chinese on their own. Any foreign involvement amounts to interference in China's internal affairs. He also stressed: "China will never yield to any pressure on matters related to Chinese national interests and sovereignty."

This statement, made with the force of justice by the Chinese defense minister, represents a warning against any foreign attempt to interfere in China's internal affairs. While attending a luncheon held in San Francisco by the local Taiwan Chamber of Commerce on 18 August, Natale Bellocchi, chairman of the American Institute in Taiwan, said: "If a war broke out across the Taiwan Strait or Taiwan's economy and security were exposed to danger, the United States would take related measures in line with its commitment made in the 'Taiwan Relations Act,' [no end quote as published] adding that the United States still has a strong military presence in Asia and is concerned about its interests in the region.

When China and the United States established diplomatic ties on 1 January 1979, the United States announced on the same day that following the breaking off of "diplomatic relations" with Taiwan, it would withdraw its troops from Taiwan and suspend the U.S.-Taiwan Mutual Defense Treaty. The U.S. Congress, however, adopted the "Taiwan Relations Act" in March 1979. This act goes against the principles laid down in the Sino-U.S. joint communique on establishing diplomatic relations and interfering in China's internal affairs. Since the act is an internal act, while the "American Institute in Taiwan" is a civilian organ, it is absurd for Bellocchi to "warn" and "threaten" China with a U.S. internal act and to address Sino-U.S. relations in accordance with it.

The present tension in the Taiwan Strait was brought about by the United States, which connived with the forces demanding Taiwan independence and allowed the visit by Li Teng-hui. While in the United States, Li, who thought he was about to achieve his aim, played up the "Republic of China in Taiwan" and vowed to "end Taiwan's diplomatic isolation, challenge the impossible in every way, and press for international recognition of Taiwan as a political entity..." brazenly preaching "two Chinas" or "one China, one Taiwan." All this made China believe that Li has taken the path of "Taiwan independence" or "two Chinas" and thus cast aside all illusions about him.

In Taiwan, more and more people have realized that Li, who is desperately campaigning for "two Chinas" like a lunatic, will finally plot to achieve "Taiwan independence." A public opinion poll has indicated the people's nervousness over the tendency. Fewer and fewer people believe that mainland China will allow "Taiwan independence" or "two Chinas" to openly come into being and leave it alone.

Artillery and missile tests with live ammunition show China's determination to crush the plot. This can never be blocked by any foreign country and China has certainly taken possible foreign interference into account.

Li Teng-hui failed to foresee the possible grave consequences of his U.S. visit. He is pursuing "economic diplomacy" to enable Taiwan to "rejoin" the United Nations while continuing to embark on his "alumni diplomacy" and planning to visit Japan and attend the Asia-Pacific Economic Cooperation forum. The Kuomintang's 14th party congress is in session and Li will be nominated for the presidential election due next March. The people of Taiwan are rather disturbed by the political developments on the island and unpredicted changes in the Taiwan Strait in the future. From his decision to seek reappointment regardless of the consequences, which reveals his inclination to show off, people can see his base personality.

Chinese leaders have repeatedly said: The Taiwan issue represents the core of various principles followed by China in handling Sino-U.S. relations and China will make no concessions on major issues of principle. What are these principles? They are the three Sino-U.S. joint communiques, whose core is the Taiwan issue. Since the United States has undermined the foundation for Sino-U.S. ties, China will certainly handle the Taiwan issue, which is purely China's internal affair, according to its own policy. No matter how Bellocchi and his kind try to interfere, they will never make China waver.

Chinese Foreign Minister Qian Qichen recently held talks with U.S. Secretary of State Warren Christopher on Sino-U.S. relations, in fact on the Taiwan issue. China hoped the U.S. side would guarantee that it would not allow Li to visit again. This was an easy and simple matter for the U.S. side, but they rejected the demand to save face. The Clinton administration has made it clear that it will handle its relations with Taiwan according to the "one China" principle and oppose Taiwan independence and Taiwan's application to rejoin the United Nations. But China demands that the United States match its words with deeds.

If the U.S. Government does not support Li Teng-hui in his campaign for "Taiwan independence," he will not have his own way, Sino-U.S. relations will improve, and the deadlock between the mainland and Taiwan will possibly be resolved; otherwise, a cold war situation will resurface, which will be disadvantageous to both China and the United States, to cross-strait ties, and to Asia. The United States has the choice.

#### **Beijing Maps Out Program for 21st Century**

**HK2308024495 Hong Kong KUANG CHIAO CHING in Chinese 16 Jun 95 No 273, pp 8-12**

[Article from "Important News from Zhongnanhai" column by Nan Shih-yin (2809 4258 0936): "There Will Be an Important Meeting at Beidaihe in July, Major Disclosure of China's 21st Century Program; Zhongnanhai Makes Preparations for Fifth Plenary Session and Works Out Blueprint for Ninth Five-Year Plan"]

[FBIS Translated Excerpt]

#### **The Jiang Core Prepares for the Fifth Plenary Session and the Drawing Up of the Ninth Five-Year Plan**

June is a busy time in Zhongnanhai. The closing of the National Conference on Science and Technology, Beijing's angry response to Li Teng-hui's "private visit" to the United States, the acceleration of the work of charting the course of China's development beyond this century by the Jiang core, preparations for the Fifth Plenary Session and the presentation of the basic framework of the Ninth Five-Year Plan at the Beidaihe Meeting in July are all indications of the series of new changes in the national policies of the Jiang core in the post-Deng era.

#### **Jiang Zemin Once Again Sounds the Alarm to the Whole Party**

On 27 April, Jiang Zemin, Li Peng, and Hu Jintao gave their instructions in an internal meeting of the CPC. Jiang Zemin emphatically pointed out: The Wang

Baosen case "sounded the alarm for the whole party." To begin with, the CPC must unswervingly wage its struggle against corruption. Second, Beijing's paramount task at present is to maintain stability at all costs. Third, Beijing must establish a good image, have the whole situation in mind, and march in step with the Central Committee politically. At the same time, the top CPC leaders also clarified their stand, saying that "the majority of cadres in Beijing are trustworthy" and that it was wrong to negate all of Beijing's work because of the "Wang Baosen case." Li Peng emphasized that Beijing must proceed from the overall situation in making arrangements for work and correctly handle the relationship between reform, development and stability. He pointed out that the maintenance of stability in Beijing was a matter of crucial importance at present, and that one must have a "sober understanding" of this need. He also pointed out: We must be firm in our attitude toward the fight against corruption and must "conduct investigations through to the end no matter who is involved." Of course everything must be based on facts and the criterion of the law.

#### **"Four Favorable Factors" Behind Wei Jianxing's Assumption of Leadership Over Beijing**

Hu Jintao, the member of the Politburo Standing Committee in charge of organization work, attributed the decision of the top leaders to assign Wei Jianxing as head of the Beijing Municipal CPC Committee as the result of "four favorable factors": It is favorable to Beijing's stability, the smooth progress of all aspects of work in Beijing, the deepening of the anti-corruption struggle, and the furtherance of the communist cause.

#### **Beijing's Original Team Assigned To Head Four Tasks**

After assuming his post in the Beijing Municipal CPC Committee, Wei Jianxing adopted a very cautious policy and did not make any great personnel changes. Beijing's original team has been assigned to head four tasks. Wei Jianxing has assumed personal control over the municipal CPC committee, while deputy secretaries Li Zhijian and Chen Guangwen have been put in charge of day-to-day work; Mayor Li Qiyan and Executive Vice Mayor Zhang Baifa have been put in charge of the municipal government; Zhang Baifa is concurrently in charge of financial work, which was once managed by Wang Baosen; while the municipal committee of the CPPCC has been placed under the leadership of Wang Daming, Deng Xiaoping's bridge partner. In the face of speculation, Wei Jianxing assured that his appointment to the Beijing Municipal CPC Committee was not a temporary one. It is said that if circumstances permit, he may lead work in Beijing for several years. Wei

also talked about his plan to concentrate resources on boosting economic growth, promoting all-round social progress and enlarging the service functions of the Beijing Municipal CPC Committee. Wei did not make any major readjustments, but did make some minor changes in day-to-day work. According to officials of the former Beijing Municipal CPC Committee, Wei Jianxing has demonstrated his ability in "prudently and positively exercise leadership over a complicated situation."

#### **On Chen Xitong's Future Course**

The top CPC hierarchy has yet to make its final decision on Chen Xitong's post as a Political Bureau Member. According to observers, it is possible that Chen may be able to retain his post in the Political Bureau, becoming a "nominal committee member with no real power," just like Yang Baibing, in order to strike a balance in the political environment. However, there is at least one precondition to this, that is, Chen must not be too deeply involved in the case of Wang Baosen and company. If he is too deeply involved and there is sufficient proof of his involvement, the top hierarchy may decide to relieve him of his duties. [passage omitted]

#### **Preparations for the Fifth Plenary Session To Map Out the Blueprint for the Ninth Five-Year Plan**

Since the beginning of June, Zhongnanhai has been preparing for the convocation of the Beidaihe meeting in July. It is understood that an important item on the agenda will be to make preparations and provide a framework document for the Ninth Five-Year Plan, which will be discussed at the Fifth Plenary Session to be held this fall.

The Jiang core has attached great importance to this plan. At the National Economic Work Conference last year, Jiang Zemin began making preparations for mapping out the Ninth Five-Year Plan. He pointed out that in their economic and social development, all localities must bear in mind the current situation as well as future needs. The Jiang core attached such great importance to this plan because as China's Ninth Five-Year Plan (1996-2000) and as the guiding document for long-term planning in the runup to the year 2010, it will be China's first long-term program that spans two centuries as well as the first five-year plan of the post-Deng era. As such, it will provide the foundation for realizing the development strategy beyond this century, and will be the new guiding principle for the third-generation leaders of the Jiang core to run the country.

It is understood that the framework document for the Ninth Five-Year Plan will first be combined with a

strategy to invigorate the country through the application of scientific and technological advances and the promotion of education. It will then be made to correspond with China's 21st-century program. The stress on seeking improvements in performance, making structural readjustments, and striving to make breakthroughs in every project will be integrated with the overall concept of working according to our means and trying not to overextend the scale of development.

#### **Important Decisions Will Be Made at Beidaihe Meeting in July**

The biggest difference between the new five-year plan and the 15-year program is that the former will emphasize coordination between the strategy of invigorating the country through the application of scientific and technological advances and the promotion of education and "China's Agenda for the 21st Century." The implementation of the strategy of invigorating the country through the application of scientific and technological advances and the promotion of education will be unfolded in six major programs on three levels. Programs on the first level will include the "Project for Tackling Key Tasks," the "Program for Promoting Achievements," and the "Spark Program" (including supporting the poor) in the field of the national economy. Programs on the second level will center round research and development, development and industrialization in the field of high technology, and will include the "863 Program" (so named because it was initiated in March 1986) and the "Torch Program." Programs on the third level will emphasize basic research, and will include the "Scaling Heights Program" for major basic research projects. These six programs will be implemented during the Ninth Five-Year Plan period.

#### **Details of "China's 21st-Century Program"**

Coordination with "China's Agenda for the 21st Century" is intended to ensure sustainable development between the Ninth Five-Year Plan and the program for the years leading to 2010. In August 1992, China organized 52 ministries and commissions and more than 300 experts and formed a working group to compile the "China's Agenda for the 21st Century." After one and one-half years and several revisions, a 20-chapter document which included 78 programs was ultimately produced. It covers sustainable development strategies as well as policies and programs for action in the fields of population, economic construction, social programs, resources, and environmental protection. What is particularly important is that this document incorporates the suggestions made by consultant experts from the United Nations for bringing the China blueprint in line with

the sustainable development pattern in the international arena.

#### **How China Will March Into the 21st Century**

In March 1994, the State Council endorsed "China's Agenda for the 21st Century—White Paper on Population, Environment, and Development in China in the 21st Century." The document pointed out that the strategy for China's sustainable development is to persist in taking economic construction as the central task; promote economic construction through the coordinated development of population, the economy, society, and the environment; work to solve the problems of population, resources, and the environment in the course of development; gradually replace the pattern of development which is characterized by high inputs and high consumption with a pattern of development which stresses economy of resources and, through changes in the mode of production and in lifestyle, re-establish the relationship of man's harmonious coexistence with nature and promote and establish a new civilization. China's third-generation leadership has made it clear that this document will be adopted as the guideline by all local governments in mapping out their ninth five-year plans. This clearly indicates that China's top leaders have been trying their best not to make the same mistakes as their predecessors in the new round of development: High inputs, high consumption, low efficiency, low output, seeking quantitative growth at the expense of quality, and pursuing growth without considering the tolerance level of the population, resources and the environment. China will naturally encounter all kinds of challenges in its implementation of the Ninth Five-Year Plan. The difficulties will be immense. However, in a sense, whether or not the third-generation leadership with Jiang Zemin at the core will ultimately be able to maintain a firm foothold in history will depend on their success in implementing the 21st-century program and the strategy of invigorating the country through the application of scientific and technological advances and the promotion of education. At this crucial juncture, their performance and success not only have a vital bearing on the "central authority" of the third-generation leadership, but will be a test of how well China marches toward the 21st century.

#### **Beijing Churchgoers Request Activist's Release**

*HK2308010295 Hong Kong EASTERN EXPRESS  
in English 21 Aug 95 p 14*

[By Bruce Gilley]

[FBIS Transcribed Text] Churchgoers in Beijing have appealed to local authorities to release a Christian activist detained two weeks ago.

They have also pledged to keep a low profile in return for a relaxation of police surveillance during the upcoming United Nations conference on women, which is being held in the capital.

Sources at the Gangwashi and Kuanjie Protestant churches said a joint letter was sent to the city government last week seeking the release of Liu Fenggang, who was dragged away from his house on the night of August 9.

The letter calls the detention "illegal" since no charges have been laid against him and family members have been left in the dark over the affair.

Liu was one of several members of the Gangwashi church involved in a series of disputes with the Beijing Religious Affairs Bureau that ended in the sacking of the church's senior pastor last December.

The pastor was beaten up by police during a violent clash in November, which brought the besieged church to the attention of the outside world.

In addition to seizing a dozen religious books on August 9, police confiscated the video camera Liu had used to film an earlier violent clash with police in the churchyard.

In the lead-up to the fifth anniversary of the Tiananmen Square massacre this year, Liu helped organise mutual support groups for threatened dissidents and was in frequent contact with foreign media.

"There has been no news about him and we suspect they intend to keep him until after the conference ends," a member of the Gangwashi church said.

In the lead-up to the conference, Beijing authorities have launched campaigns against criminals, prostitutes and dissidents.

The churchgoer said Christian activists have sought assurances that their freedom would be guaranteed if they pledge to keep a low profile during the conference.

Meanwhile, a prominent Chinese dissident, Liu Gang, plans to sue the Liaoyuan Public Security Bureau if it fails to investigate police who allegedly assaulted and robbed him and his siblings, a human rights group said at the weekend.

Police officials in Liaoyuan, in northeast China's Jilin province, have so far ignored Liu's lawful requests to launch an inquiry into the July 31 incident, the New York-based group Human Rights in China said.

Last week, Liu told how he, his younger brother, Liu Yong, and sister, Liu Ming, were allegedly beaten and robbed by three plain clothes police officers in a

local market, where they took Liu's camera and 1,000 renminbi (HK\$900).

Liu said his telephone had been disconnected and police were denying him access to post offices where he could use public phones and fax machines.

To protect himself and his family from almost constant persecution since his release from prison on June 18, the dissident sought to obtain a restraining order and file a law suit against the police.

But both efforts were rejected by the Liaoyuan Higher People's Court, which told him the police had at least one month to complete their investigation before the suit would be accepted.

#### Official Denies Unrest Over Panchen Dispute

*HK2308060795 Hong Kong SOUTH CHINA MORNING POST in English 22 Aug 95 p 8*

[By Jasper Becker in Beijing]

[FBIS Transcribed Text] As China launched celebrations for the 30th anniversary of the Tibet Autonomous Region, it showed every sign of having mishandled the latest crisis in Tibet.

The Communist Party has blundered into a dispute with the Dalai Lama by claiming it better understands the divination practices involved in the search for a new reincarnation of the Panchen Lama, the second ranking Tibetan leader after the Dalai Lama.

A senior Communist Party official yesterday denied reports of widespread unrest in Tibet after Beijing attacked the Dalai Lama's recognition of the reincarnation three months ago as an "evil plot".

Angry monks in the Tashilunpo Monastery, the seat of the Panchens, have instigated protests to demand recognition of the six-year-old boy — Gedhum Choekyi Nyima — who was born on April 25, 1989, in a rural district about 500 kilometres northeast of Lhasa.

The Dalai Lama's Government has alleged that China is holding the boy in Beijing and has arrested the Chadrel Rinpoche, the Abbot of the Tashilunpo Monastery who was in charge of the search, accusing him of conspiring with the Dalai Lama in India.

Party officials yesterday refused to provide any details of the whereabouts of the boy or the Lama, only saying that they were in good health. However an official from the party's United Front Department denied that the Chadrel Rinpoche was being detained and insisted that he was suffering from an unspecified illness and had been in hospital since May.

"I can't say where he is but he is in good shape and his health conditions are getting better," an official said.

A senior official yesterday declined to confirm that China would not recognise the bcy or when it intended to mount a new search for alternative candidates. He blamed the delay on "meddling" by the Dalai Lama.

China has insisted that the Dalai Lama broke ancient Tibetan traditions by making his own selection without using the required ceremonial golden urn and by announcing his choice without obtaining Beijing's agreement.

The exiled Tibetan leader has denied that prior approval of Beijing was required or that he failed to carry out the correct divination procedures.

China now appears to be seeking a way of accepting the Dalai Lama's choice without losing too much face. A party official refused to say whether the urn ceremony would be held and hinted that it might not be necessary. "If there is only one candidate then there can be a waiver," he said.

He also said Beijing might wait a long time before recognising the reincarnation.

**Paper Refutes 'Military Threat Theory' Article**

**HK2308061495** *Beijing RENMIN RIBAO* in Chinese  
28 Jul 95 p 7

[Article by Gu Ping (0657 1627): "Substituting the Fake for the Genuine and Making a Shocking Statement To Attract Attention"]

[FBIS Translated Text] On 17 July, the U.S. NEWSWEEK magazine dished out, in the prominent space of a cover story, an article sowing dissension between China and its neighboring states. In its attached map, the article, while listing the balance of power in some Asian countries and regions, adopted the inglorious method of substituting the fake for the genuine. It wantonly exaggerated China's defense spending in order to fabricate a basis for the so-called "China's military threat theory."

With regard to the proportion of China's defense spending in its gross domestic product [GDP] in 1994, the article cited a shockingly high figure: 5.4 percent! How did the 5.4 percent come about? By making a cursory comparison people will be able to discover that, in calculating the proportion of military spending in the GDP of some Asian countries, the article has calculated them according to international exchange rates, reaching proportions of between 1.6 and 3.6 percent. When calculating the same proportion in China, it has changed the method of calculation, using the purchasing power par-

ity instead of international exchange rates in calculating China's GDP. As a result, China's military spending, calculated at \$6.3 billion according to exchange rates, has immediately swelled to \$28.4 billion, a fourfold increase! Hence the shocking 5.4 percent.

However, facts speak louder than words. The fact is that, viewed either from relative indices or from the absolute figures, China's current military spending still ranks among the low-level countries in the world; in the past two decades, the proportion of China's defense spending in the national economy has consistently tended to drop. The so-called China's "high military spending" and "big increases" are purely shocking statements to attract attention. The figures provided in "The Military Balance" (published in October 1994) by the authoritative London Institute for Strategic Studies in the West also show that, calculated in terms of either international exchange rates or purchasing power parity, the proportion of China's military spending in its GDP did not exceed 1.45 percent.

Since the writer of the aforesaid strange article takes military spending as an important basis for judging "military threat," there is no harm in comparing China with the United States. According to statistics from an authoritative Western institution, the U.S. military budget last year was \$280.6 billion, 45 times that of China; the average military spending per U.S. serviceman was \$170,000, 82 times that of China; per capita military spending was \$1,081 in the United States, but it was a mere \$5.3 in China. If we make an inference according to the logic of this writer, then it goes without saying who is most dangerous in posing a "military threat."

On the so-called "China's military threat theory," international public opinion has made a fair assessment. It praises China's rapid development as an important factor in world peace and stability and does not believe the demagogic propaganda concerning "China's threat." In March this year, former U.S. secretary of defense Richard Cheney indicated that since China was now devoted to economic construction it would not make a show of force among its neighboring states. In April, experts and academics from many Asian countries, including Japan, drew a common conclusion: "China is a competitor but will not pose a threat." Indonesian Foreign Minister Mr. Ali Alatas, who visited China some time ago, said categorically that China's development contributes to regional and world peace and that the argument of the "China threat theory" advocated by some people does not hold water.

It can thus been seen that the "China's-military-threat theory" was concocted by some people out of thin air with the aim of sowing dissension between China and

its neighboring states, harming China's international image, and coordinating through the media the so-called "multi-aspect containment [duo fang e zhi 1122 2455 6666 0455]" policy against China designed by some people. If we link this to their plot of placing pawns in China's neighboring states and their shameful moves on the Hong Kong and Nansha [Spratlys] issues while continuously playing the "Taiwan card," "Tibet card," and "human rights card" in recent days, is not their motive as clear as crystal? It is perfectly clear that it is certainly not China that is posing a threat, but others that are threatening China.

#### **Party's Influence in Rural Areas Said Weakening**

*HK2308024195 Hong Kong LIEN HO PAO in Chinese 18 Jul 95 p 8*

[Dispatch from Beijing by special correspondent Teng Pi-yur (6772 0012 0061): "CPC's Control Over Rural Areas Weakens, Replaced by Traditional Forces or 'Capable People'"]

[FBIS Translated Text] Since the introduction of autonomy to the rural grass-roots levels, the Communist Party's control is gradually weakening and is being replaced by traditional forces or by "capable people." At present, the CPC must rely on consultations between local party and government organs and local forces to exercise rule over the rural areas.

According to discussions over some days at the "International Symposium on the Village Committee Legal Building in China's Rural Areas," sponsored by the Ministry of Civil Administration, following the elections introduced to the rural areas in the 1980's, it has been impossible for the Communist Party to exercise autocratic rule over the rural areas. Traditional clans, religious organizations, sects, and those (capable people) with financial status have often been the winners in rural elections.

Generally speaking, traditional forces are more powerful in the central and western regions where the economy is lagging behind, while the influence of "capable people" is greater in developed and prosperous regions because villagers are willing to support those who can lead them down the road to prosperity to assume autonomy of the whole village. In these places, where village-run enterprises are relatively developed, the phenomenon of "party and government integration" is maintained superficially, however the situation has changed in essence. In the past, the party exercised leadership over the government and enterprises. Now, enterprises are superior to the party and the government.

Moreover, following elections in rural areas, the means for nominating candidates for the post of secretary of ru-

ral party branches has also been affected. In some localities in Henan, the party branch secretaries can no longer be assigned by township party organizations or elected from among rural party members. A party branch secretary can be appointed only through consultations with and the approval of all the villagers. After the elections, peasants are used to the practice of village leaders assuming office with the approval of all villagers. If villagers' opinions on the candidate for party branch secretary are not solicited, it will be impossible for him to carry out his work after he assumes office.

The delegates attending the symposium found through public and private discussions that there are many kinds of political groupings in the mainland's rural areas at present, and it is difficult to make a general summary. However, more than 50 percent of delegates believed that most places are copying the law on autonomy from the central government, which has proved less effective, except for some areas in Shandong, which have genuinely relied on the law to exercise autonomy.

#### **Living Conditions Reportedly 'Greatly Improved'**

*HK2308010095 Beijing CHINA DAILY in English 21 Aug 95 p 1*

[By Yang Yingshi: "Nation Lives It Up as Housing Gets Better"]

[FBIS Transcribed Text] Living conditions in China have greatly improved in recent years according to a new government report.

The Ministry of Construction report, the first of its kind in China, outlines the improvements which have been made in living conditions, especially since 1978 when State reforms were introduced and the country began to open up.

The report, to be published soon will be presented to the second Human Habitat Conference of the United Nations in Istanbul next June.

It outlines China's achievements in housing construction, urbanization, population control, urban and rural planning, infrastructure facilities, environment protection, and natural disaster control and reduction.

According to the report, a total of 813.74 billion yuan (\$98 billion) has been invested in building 2.3 billion square metres of urban residential housing from 1979 to 1994.

The figures account for 96 per cent of the total investment and 83 per cent of the total floor space constructed since the People's Republic of China was founded in 1949.

Living space in urban areas had increased to 7.7 square metres per person by the end of last year, from 3.6 square metres in 1978.

In rural areas, the report said, 6.949 billion square metres of residential housing was built between 1984 and 1994, an average of 632 million square metres each year.

During that period, about 12 per cent of the per capita income of rural families was put into house construction.

By the end of last year, the per capita living space in rural areas has reached 12.42 square metres—the equivalent of a room for each person.

#### White Paper on Family Planning Policy Released

OW2308060895 Beijing XINHUA in English  
0558 GMT 23 Aug 95

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — A white paper on family planning in China was released here today by the Information Office of the State Council of the People's Republic of China.

The paper provides answers to questions on how China is taking up the challenge of the population problem, why China has adopted a strategic policy for carrying out family planning, what policies and measures it has implemented in its family planning program, and what it has achieved with this.

The 17,000-character white paper includes the following seven chapters:

- A strategic policy that suits national conditions;
- A social understanding that benefits the people;
- A combination of state guidance with voluntary participation by the masses;
- Bringing the people to a common level of understanding;
- Satisfying the reproductive health needs of people of child-bearing age;
- Optimization through reform and development;
- Correct choices for human rights protection.

#### XINHUA Excerpts Family Planning Paper

##### Part One

OW2308063195 Beijing XINHUA in English  
0559 GMT 23 Aug 95

[XINHUA first excerpts of white paper: "China's Family Planning Policy Is Strategic Policy That Suits National Conditions"]

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — China's family planning policy is a strategic policy that suits the national conditions, says the white paper entitled "Family Planning in China", which was released here today by the Information Office of the State Council.

The white paper points out that excessive population growth is an extremely serious problem facing the contemporary world. In modern China, the issue of population is a key issue related to the survival and development of the Chinese nation, to the success or failure of the country's modernization development, and to the coordinate and continuous development between population and economy, society, natural resources and environment. The Chinese government's choice of carrying out family planning, controlling the population growth and raising the quality of the people as the basic national policy is the inexorable choice to make the nation more prosperous and powerful and the people happier.

Recounting the process of the formation and implementation of China's family planning policy, the white paper says that, in the 1960s, China's population entered its second peak birth period after 1949. From 1962 to 1972, the number of births in China totalled 300 million. In 1969, China's population exceeded 800 million. However, as there was still the lack of a deep understanding of the seriousness of the population problem and the government still had not worked out a clear population policy, family planning was not effectively carried out throughout the country.

From the early 1970s, the Chinese government had become increasingly deeply aware that the over-rapid growth of population was unfavourable to economic and social development and decided to energetically carry out family planning in both urban and rural areas and integrated the plan for population development into the plan of national economic and social development. At the end of the 1970s, the Chinese government has made it a basic state policy to carry out family planning and population control and to improve the life quality of the population, and has clearly incorporated it in "The Constitution of the People's Republic of China", thus

establishing the important position of family planning programme in China's overall task of national economic and social development.

The white paper notes that, as of February 15, 1995, China's population had reached 1.2 billion. Over the past few years, the annual births have averaged about 21 million, with a net annual increase of 14 million. Such massive total population and annual population growth constitutes a heavy burden for China, a country that has a weak foundation and little cultivated land, whose economic and cultural level is rather backward and where development is regionally imbalanced. The negative impact of China's over-abundance of population has permeated all aspects of social and economic life; in fact, many difficulties China has encountered in its economic and social development are directly related to the problem of population.

Over the vast territory of China, the white paper analyses, the space suited for people to live and engage in economic activities is limited and population distribution is extremely uneven. Plains and hilly land account for 21.9 percent of China's total land area, and many of the mountain, plateau, hilly and basin areas are unsuited for living. China's humid and semi-humid areas, appropriate for living, account for only 47 percent of the total land mass. Now, 94 percent of China's population live in the eastern part, which accounts for 46 percent of the country's territory, particularly in the southeastern region where the natural environment is better and the economy is relatively developed. At present, there are still 70 million people in China living below the poverty level, of which the majority live in the western region where the geographic environment is harsher. Obviously, the poverty of the population is closely related to their poor living conditions.

Besides this, China's per-capita average of forested land, grassland and freshwater resources amounts to only one-ninth, one-third and one-fourth of the respective world averages. "Food is the first necessity of the people." To solve the problem of feeding a population of 1.2 billion is a big challenge to China. Now, cultivated area in China accounts for only one-tenth of its territory. The greatest pressure on China's agriculture, particularly grain production, is the continuous growth of the population and incessant shrinkage of the cultivated land. Forecasts show that China's per-capita share of grain will remain at the low level of less than 400 kilograms of crude grain for a long time due to the continued growth of the population size in the future. If China fails to effectively check the over-rapid growth of the population and alleviate the great pressure wrought by the population growth on cultivated land, forests and water resources, an ecological and environmental dete-

rioration will become inevitable in the coming decades, profoundly endangering the minimum living conditions of the overwhelming majority of the Chinese people as well as the sustainable development of their society and economy.

The white paper notes that despite continuous improvements in China's overall national strength, the rapid pace of economic development, and the leap of China to the world's front rank in gross national product since the adoption of reform and opening to the outside world, the country's per-capita gross national product still lags behind in the world and remains lower than the average level of the developing countries because of its huge population. Owing to the excessively rapid population growth, the state's accumulation has become relatively less, funds that can be invested in educational, medical and health care and other social services are limited, and there are significant difficulties in further improving the people's cultural quality and health level, particularly the life quality of the massive rural population and the population living in areas haunted by poverty.

The paper said that, to precisely bring about a sustained economic growth and sustainable development, satisfy the daily increasing material and cultural demands of the whole people, and guarantee the fundamental and long-term interests of the current generation and their posterity, the Chinese government has chosen the strategic policy of family planning. Facts have proved and will continue to prove that, while making energetic efforts to develop the economy, the comprehensive promotion of family planning was the correct policy decision, taken in China since the latter half of the 20th century, which bring benefits to the present and constitutes a meritorious service for the future.

## Part Two

OW2308095495 Beijing XINHUA in English  
0704 GMT 23 Aug 95

[XINHUA second excerpts of white paper: "China Makes Family Planning Social Undertaking That Benefits People"]

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — China's family planning policy is a social undertaking that benefits the people, stresses the White Paper entitled "Family Planning in China" issued here today by the Information Office of the State Council.

The white paper says the contributions the family planning policy has made to the country are mainly on the following six aspects: having effectively checked the trend of over-rapid population growth; having promoted the change of people's concepts regarding mar-

riage, birth and family; having created favourable conditions for the development of China's economy and the improvement of people's living standards; having promoted the improvement of the quality of the Chinese population in terms of education and health as well as the overall development of the people; having further liberated the female productive forces and helped improve the status of women; and having accelerated the process of eradicating poverty in rural China.

The paper notes that the country's population had increased to 1.2 billion by February, 1995 from 500 million in 1949 when the People's Republic of China was founded. Because China's current population and family planning programs and policies have won understanding and support from the people, the fertility level of the population has steadily reduced and the trend of over-rapid population growth has been effectively checked along with the country's economic and social development.

Compared with 1970, the paper says, in 1994 the birth rate dropped from 33.43 per thousand to 17.7 per thousand, the natural growth rate, from 25.83 per thousand to 11.21 per thousand, and the total fertility rate of women, from 5.81 to around 2.

Now, China's urban population has basically accomplished the change-over to the population reproduction pattern characterized by low birth rate, low death rate and low growth, and the rural population is currently in this process of change-over.

The data supplied by the United Nations shows China's population growth rate has already been markedly lower than the average level of other developing countries. According to calculation by experts, if China had not implemented family planning but had all along kept the birth rate at the level of the early 1970s, its population would possibly have passed the 1.5 billion mark by now.

Since the implementation of the family planning policy in China, profound changes have been taking place in people's concepts of marriage, birth and family along with the reform and opening to the outside world as well as socio-economic development, the paper says.

The traditional ideas of "early marriage and early births," "more children, greater happiness," and "looking up on men and down on women" are being discarded by more and more people at the child-bearing ages.

Late marriage and late births, fewer and healthier births, viewing male and female children as the same, establishing happy, perfect and harmonious small families and seeking a modern, scientific and civilized way of life have become an irresistible trend of the times, the paper says, adding that the rate of early marriage for

women has come down and their average age at first marriage has gone up; and the family size is gradually getting smaller and nuclear family is becoming the main form of modern Chinese families.

The paper says in vigorously promoting family planning, China strives to make the speed of population growth much lower than the speed of growth in the gross national product, thus gradually raising the per-capita level.

Apart from the reform and opening to the outside world, family planning has been a factor for the sustained economic development of China and the steady improvement of its people's living standards over the past ten years and more.

From 1952 to 1978, China's gross domestic product (GDP) increased 4.7-fold. The per-capita GDP, however, increased by only 2.8-fold. From 1978 to 1994, while upholding reform and opening to the outside world and making great efforts to develop the economy, China persisted in doing a good job in family planning. In this period, the GDP went up 4.2-fold and the per-capita GDP increased 3.4-fold. During the same period, thanks to improvements in the quality of people's lives and the rise in their purchasing power, China's consumer goods market expanded 13.7-fold, and the total retail sales volume of consumer goods increased by an annual average of 17.2 percent. In 1994, the total volume of retail sales of consumer goods in China was 1,605.3 billion yuan. China has become a market with the greatest potential in the world, the paper says.

While making efforts to control the population at an appropriate size, the Chinese Government has devoted great attention to developing educational, medical and other services in order continuously to improve the quality of the population in terms of education and health. From 1949 to 1990, the paper says, the life expectancy rose from 35 years to 68.55 years — 66.84 years for males and 70.47 years for females, making China a country where the life expectancy increased the most rapidly. Great improvements have been witnessed in the basic facilities for public health in China and the incidence of various contagious diseases has markedly dropped.

The diet of urban and rural people throughout the country has greatly improved. The per-capita daily calorie intake has reached 2,600 kcal [kilocalories], and that of protein has reached 75 grams, having reached or approaching the world average levels.

Health care for women and children has continuously expanded. The mortality rate for babies dropped from 200 per thousand before 1949 to 35 per thousand in

1990, the death rate of expectant and new mothers was 94.7 per 100,000, and the rate of planned immunity for new-born babies reached 85 percent.

The major indexes of people's medical care and health have already far outstripped countries at the same level of economic development, and the gap with the developed countries is being gradually narrowed.

Family planning in China has extricated women from frequent births after marriage and the heavy family burden, further liberated and expanded the social productive forces latent in women, and provided them with more opportunities to learn science and general knowledge and take part in economic and social development activities, hence greatly promoted the improvement of the Chinese women's status in economic and social affairs as well as in their families.

The paper notes that the Chinese government has taken an important step in giving support to the development of poor areas to alleviate poverty by promoting family planning, holding population growth under control, and raising the life quality of the population in those area.

Since 1978, the state has adopted a series of measures to make those living below the poverty line drop from 250 million to 70 million in [date indistinct].

The Chinese Government has combined the solution of the problem of the portion of society living under the poverty level with family planning to free families from the vicious cycle of "the poorer they are, the more children they give birth to, and the more children they give birth to, the poorer they become," the paper says, adding that in this respect, marked achievements have been obtained.

In the communities that have extricated themselves from poverty, farming households that have implemented family planning are often in a clearly advantageous position, the paper says.

### Part Three

*OW2308101595 Beijing XINHUA in English  
0628 GMT 23 Aug 95*

[XINHUA third excerpts of white paper: "China's Family Planning Policy Has Wide Support"]

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — The current family planning policy has won the understanding and support of the whole Chinese people as it is actually a combination of the government guidance with the voluntary participation by the masses.

The white paper on family planning published here today by the Information Office of the State Council says that the promotion of family planning in China is

a highly complicated task due to its vast territory, large population and great differences between regions, urban and rural areas and ethnic groups.

When working out the policies of population and family planning, the Chinese government took into consideration the needs of the social and economic development of the state and its long-range interests, as well as the actual conditions of different regions, ethnic groups and social strata, the people's wishes and attitudes.

"The combination of state guidance with voluntary participation is an important principle China has always followed in implementing the family planning policy, and is the fundamental guarantee of success for the family planning program as well," said the white paper.

A family planning policy that conforms to the state's actual conditions and embodies classified guidance is an important component part of exercising state guidance. The main contents of the current family planning policy in China are: Advocating delayed marriage and delayed child bearing, fewer and healthier births and advocating one child for one couple.

Some rural couples with actual difficulties are allowed to give birth to a second child a few years after the birth of the first child. The national minorities are also required to practise family planning, but concrete demands and approaches to the policy are decided by each autonomous region or the province in which the national minorities live, the white paper notes.

The white paper says that one child for one couple is a necessary choice made under China's special historical conditions to alleviate the grim population situation.

However, "one child for one couple does not mean to 'have one child' under all circumstances, but rather, encouraging couples to have only one child, to plan arrangements for couples who have real difficulties and need to have a second child to do so," points out the government document.

It goes on saying that China is a multi-ethnic country, the population of the national minorities making up about 8 percent of the country's total. To raise the economic and cultural levels of the national minority areas and improve the life quality of the population, since the early 1980s the Chinese government has also advocated family planning in the areas inhabited by ethnic groups.

Yet the concrete policies are worked out by the national minority autonomous areas and the relevant provinces and autonomous regions according to specific local conditions. In general, a couple in agricultural and

pastoral areas is allowed to have two children; and a more flexible policy is adopted to farmers and herdsmen with actual difficulties.

Between 1982 and 1990 after the practice of family planning in the areas inhabited by ethnic groups, the population of the national minorities increased by 35.81 percent, or 3.27 times the growth of the Han population in the same period, says the white paper.

It says that the state has imposed no specific requirements on Tibet in family planning. In 1985, the People's Government of the Tibet Autonomous Region, in view of the actual population growth there, began to advocate family planning among Tibetan cadres, workers and staff, encouraging each couple to voluntarily space two births at reasonable intervals.

"However, no policy restrictions have ever been imposed on the number of births in the agricultural and pastoral areas," it says.

According to the fourth national population census in 1990, Tibetan people in the Tibet Autonomous Region numbered 2.0967 million, making up 95.48 percent of the total population in Tibet.

#### Part Four

OW2308102195 Beijing XINHUA in English  
0638 GMT 23 Aug 95

[XINHUA fourth excerpts of white paper: "China's Family Planning Wins Common Understanding and Voluntary Participation of People"]

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — Through wide publicity and education, China's family planning has won a common understanding and voluntary participation of the people, providing a basic guarantee of the successful implementation of the work.

This is stated in the white paper entitled "Family Planning in China" issued today by the Information Office of the State Council.

The publicity and education of family planning conducted in China according to its actual conditions and the population situation have made the whole society see that to control the rapid population growth is its urgent task and responsibility, the white paper says.

From the 1980s, all regions of China began one after another the activity of "doing accounts and making contrasts," during which people were organized to do accounts and make contrasts of the national and local changes after the founding of New China in terms of the population growth, per-capita cultivated land, grain supply and income, education, employment, housing and transportation, the differences in living standards

between the families with more children and those with fewer children, and the benefits of family planning to the state and people. The activity has played an active role in helping people see clearly the nation's actual situation and practise family planning of their own accord.

Since 1987, China has put into practice the plan on popularizing the basic knowledge of population and family planning, with the rural areas as the focus.

At present, many villages and neighborhoods have set up population or marriage education schools. The people at different child-bearing ages and those in different situations may obtain scientific knowledge of population, childbirth, contraception and birth control, maternity and child care through the lectures or advice given by doctors, teachers and cadres. Then they may practise family planning more conscientiously.

The white paper goes on to say that activities of family planning associations in all areas have also played an important role in publicity and education.

Consisting of people from all walks of life who are interested in family planning, these associations are mass organizations with an extensive social basis. Up to now, all 30 provinces, autonomous regions, municipalities as well as the overwhelming majority of the cities, counties and grass-roots units have set up their family planning associations, totalling more than one million with approximately 80 million members. Their members keep in close touch with the broad masses of the couples of child-bearing age. A family planning work situation with self-education and self-management as the mainstay is being formed step by step.

China makes full use of newspapers, radio, television, publication, theater, music, local art performances and schools to educate people about family planning. In addition, it has also set up a family planning publicity and education network reaching all parts of the country.

In the late 1980s, all provinces, autonomous regions, municipalities and the cities with economic planning directly supervised by the State Council (except Tibet Autonomous Region) set up regional family planning publicity and education centers, which produced more than 1,600 television programs and video tapes, and numerous publicity materials of various kinds.

By 1994, two administrative officials' colleges, eight secondary professional schools and 26 provincial training centers had been founded as part of the national family planning system. Each city, county and township has a family planning service station focused on publicity and education; and each residents' and villagers' committee have a member responsible for propagating birth control education.

**Part Five**

*OW2308102895 Beijing XINHUA in English  
0645 GMT 23 Aug 95*

[XINHUA fifth excerpts of white paper: "Family Planning Policy Satisfying People of Child-Bearing Age's Reproductive Health"]

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — China has mainly focused on contraception in implementation of family planning. Providing family planning information, consultation and services is an important measure in promoting family planning.

This was stated in a white paper on family planning in China issued by the Information Office of the State Council today.

The Chinese government attaches great importance to meeting the various and multi-level needs of people of child-bearing age by relying on progress in science and technology, and the study and development of the methods of family planning and contraception.

In the 1980s, China formulated the program for the scientific and technological development of family planning, and produced contraceptive and birth control technological services providing a great variety of methods for people to select as they wish.

China leads the world in the research on male contraception techniques, some of which have been listed as the ones to be promoted by the World Association of Voluntary Surgical Contraception (AVSC). China has also made quite a number of important achievements in research of female contraception techniques, some of which have been extensively used in China and abroad. China has been included among those advanced countries in the development of contraceptives.

While improving the quality of existing contraceptives, China is sparing no effort to develop safer, more effective, more convenient and cheaper contraceptives.

To meet the demands of people of child-bearing age for contraceptives, the state has organized more than 40 factories and invested nearly 200 million yuan in the production of various contraceptives every year. Now the production of contraceptives in China has basically become self-sufficient.

To ensure that people of child-bearing age can receive required services at any time and in any place, China has established countrywide family planning service networks consisting of hospitals, maternity and child care centers and family planning service stations.

At present, more than 200 million married couples of child-bearing age in China have adopted contraceptive

measures, making up about 80 percent of the country's total, the white paper says.

Since 1988, China has implemented the system of combining the supply of free contraceptives with retail sales in the market, thus widening the supply channels, providing conveniences to the people, satisfying their needs and raising the utilization rate of contraceptives, it says.

The white paper points out that the Chinese government is against promoting induced abortion as a means of family planning. China allows women who require induced abortion to have such an operation under safe and reliable conditions.

Along with the popularization of the scientific knowledge of family planning and the extensive adoption of contraceptive measures, the number of induced abortions has been on the decline in many places.

When China's birth rate drops sharply, the annual ratio between the number of newly born babies and that of induced abortions has retained at around 1:0.3, equivalent to the medium level in the world.

To guarantee the health of babies and mothers, China has made efforts to improve medical and health care conditions and strengthen health care services for women and children while doing a job in family planning. Consequently, the improvement of women's and children's health has also promoted family planning. China has set up health care networks for women and children all over the country.

**Part Six**

*OW2308103395 Beijing XINHUA in English  
0658 GMT 23 Aug 95*

[XINHUA sixth excerpts of white paper: "Family Planning To Optimize Through Reform and Development"]

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — China's family planning cause will have to solve new problems and optimize through reform and development, says a white paper published today by the Information Office of the State Council.

The white paper says China's population and family planning program has been crowned with success. However there exists a regional imbalance in the development, the fertility levels being instable in many regions, and the birth rate still high in others. The working style and service level of family planning remain to be improved in most of the rural areas, especially in those economically-underdeveloped ones. In the process of establishing a socialist market economy, family planning work is faced with new situations and new problems.

There are also problems in the quality and structure of the population that can not be ignored.

The white paper stresses that China is still confronted with a severe challenge on issue of population and development. To carry out the policy of family planning and population control and improving the quality of the population remains an arduous and urgent task of strategic significance.

The white paper says that the Chinese government will unwaveringly continue to carry out the basic national policy of family planning and promote a coordinated development between population on one hand and the economy, society, resources and environment on the other hand. The Chinese government has formulated the "Program of China's Family Planning Work (1995-2000)" in the end of 1994, which sets clear demands on the task, target, principle and measures in deepening the development of family planning.

In recent years, the Chinese government has been implementing a new policy that combines family planning with developing economy, with helping farmers get better-off through hard work, and with advocating healthy and happy family lives. By providing production, livelihood and fertility services to farmer families practising family planning, the new policy aims to help them get rich faster, and through them, make more families accepting the concept of less children and better life. This practice has won warm support from governments at all levels, grassroots officials and the people. Realizing from their immediate interests the benefit of having less children, farmers are gradually changing their attitudes towards fertility, heightening their awareness of and enthusiasm for carrying out family planning. Rural women not only take an active part in these activities but they also benefit mostly from them.

To solve the population problem fundamentally and comprehensively, the Chinese government has in recent years worked out a whole range of policies, plans and measures, including developing the economy, eliminating poverty, protecting the ecological environment, rationally developing and utilizing resources, popularizing education, developing medical service and maternal and infantile health care, improving the social security system — especially the insurance system for the aged, steadily advancing urbanization, improving women's status, and guaranteeing the legal rights and interests of women. All these have helped create a more favorable condition and environment for the implementation of family planning.

The white paper says that the Chinese government and the whole society have paid close attention to the recent tendency of the high sex ratio. The problem will

be gradually solved through heightened publicity and education, and measures have been taken to guarantee the legal rights and interests of women and children; to severely prohibit, except when called for medically, the technical examination of fetus for determining sex followed by selective abortion; and improve birth report and statistical system.

#### Part Seven

OW2308104095 Beijing XINHUA in English  
0700 GMT 23 Aug 95

[XINHUA seventh and last excerpts of white paper: "Family Planning Is Correct Choice for China To Ensure Human Rights"]

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — To carry out family planning is the correct choice for China to ensure human rights, says the white paper entitled "Family Planning In China" released here today by the Information Office of the State Council.

The white-paper points out that, in the practice of carrying out family planning program, while persistently proceeding from its reality and taking into full account and observing principles and regulations concerning population and family planning formulated by international institutions and organizations, the Chinese government has gradually set up its guiding principles, policies, measures and methods in the interests of the people, and has continuously improved them as the actual situations change so as to better safeguard the right to subsistence and development of the Chinese nation.

It has been China's consistent stand and principle in international exchange and cooperation to fully respect the sovereignty of all nations and not to interfere with the internal affairs of other nations, the white-paper notes.

Only by proceeding from the reality and independently setting up its population policy and target, as well as plans and measures to realize the target, can each country effectively solve its population problem.

As the situation differs from country to country, it is a normal phenomenon that there are differences in the plan and dynamics of problem solving in each country. Therefore, positive results of solving the population problem through international cooperation can only be achieved under the premise of respecting the sovereignty of each country, and by adopting the attitude of mutual understanding and seeking common ground while preserving differences.

The white paper stresses that, not only has China never imposed its ways and ideas of solving its own

population problem on anyone else, but it has, instead, always understood and welcomed all good-intentioned criticism and useful suggestions from outside. However, some people, distorting or disregarding the basic facts, have made improper comments on China's family planning program, criticizing it as a "violation of human rights," and denouncing it as "inhumane". They have even tried to impose their values and ideas on China and use the excuse of "protecting human rights" to put pressure on China and to interfere in China's internal affairs. This is totally unacceptable.

China has always held that the concept of human rights is a product of historical development, closely related to social, political and economic conditions as well as each nation's history, culture and values, according to the white paper. The realization and improvement of human rights is a historical process, and it is the same with the reproduction choice — one of the citizen's rights.

The white paper points out that, family planning in China is pursued in complete accordance with the relevant principles and human rights requirements designated by the international community. China's family planning policies and programs well combine citizens' rights and duties and join the interests of the individuals with those of society. These conform to the basic principles outlined at various international population conferences and have been established on the basis of the relationship of interpersonal interests under socialism.

As China has a large population, the Chinese government has to limit the number of births of its citizens to some extent, the white paper says. This is a duty incumbent on every citizen, for it serves the purpose of making the whole society and whole nation prosperous, but not the private interests of some individuals. This is wholly justifiable and entirely consistent with the moral concepts of Chinese society.

In a heavily populated developing country like China, if the reproductive freedom of couples and individuals are unduly emphasized at the expense of their responsibilities to their families, children and society, indiscriminate reproduction and unlimited population growth will inevitably ensue and the interests of the majority of the people, including new-born infants, will be severely harmed.

The white paper notes that China, as the home to more than one-fifth of the world's population, thoroughly understands the responsibility it bears on stabilizing world population growth and the important role it should play.

According to the white paper, family planning as an effective solution to China's population problems is more than just responsible for the well-being of the Chinese people and their future generations, and it is a duty owed to maintaining the stability of the world population.

China, as always, will continue to work in concert with all other nations of the world to carry out the "Program of Action of the International Conference on Population and Development" and make positive contributions to stabilizing the world population and ensuring a better future for mankind, the white paper says.

#### Publications Administration Cites Figures

*OW2208142295 Beijing XINHUA in English  
1330 GMT 22 Aug 95*

[FBIS Transcribed Text] Beijing, August 22 (XINHUA) — China is one of the world's media leaders in terms of numbers and varieties of media outlets.

According to the Press and Publications Administration of China, by the end of June this year China had more than 2,200 newspapers, compared with only 186 in 1978.

The country also boasts 1,210 radio stations and 976 TV stations, respectively covering 78 percent and 84 percent of its total population of 1.2 billion.

Yu Youxian, director of the administration, said that following the soaring in numbers in the previous period, the country's media are now exerting great efforts to upgrade their quality.

At present, nearly all national newspapers and many local newspapers have increased the number of their pages from four to eight or more. Some specialized journals have even increased the number of their pages to dozens or even more than 100.

Many radio and TV stations place great attention on developing news, economics, transportation and music programs, and on strengthening live broadcasts and increasing the number of follow-up stories. Special news programs and columns, featuring various topics, are coming out in large numbers.

Since last November the radio stations in 20-plus cities, including Shanghai, Beijing, Tianjin and Guangzhou, have increased their morning news time from half an hour to one hour.

Radio Shanghai's news center, which operates round the clock, devotes two-thirds of its time to news and news features, and its broadcasting time has increased from four hours to 17.

The China Central Television (CCTV)'s channel CCTV-1, which focuses on news coverage, reports the latest domestic and overseas news 12 times per day.

Experts say the fast-growing media industry has become an important part of the modern productive forces, directly serving the country's economic and social life.

As part of the modernization drive, the media has developed to become a significant industry.

Most of the national newspapers have adopted laser composition and electric color printing techniques, while some even write, edit and print news stories purely by computer.

To further improve the macroscopic management of the publishing industry, the administration has worked out and made public a series of regulations on newspaper management.

According to the new rules, lists will be published of well- and ill-managed newspapers.

#### Draft Law to Promote Physical Culture Revised

OW2308150595 Beijing XINHUA in English  
1247 GMT 23 Aug 95

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — The Law Committee of China's National People's Congress (NPC) Standing Committee, the country's top legislature, has made some major revisions to its draft Physical Culture Law.

The revised draft, which was reported to the ongoing 15th session of the NPC Standing Committee today, provides that all banned medicines and therapies are absolutely prohibited at all sports events.

Wang Shuwen, vice-chairman of the Law Committee of the NPC Standing Committee, stressed in his report that China is firm and clear-cut in opposing the use of any stimulant. China will strictly carry out the principle of "strict ban, strict check-up and strict punishment" in dealing with this problem.

The revised draft law stipulates that national team members and relevant administrative personnel will face administrative disciplinary punishment in case of violation of the law.

According to the revised draft law, the country will practise a technical grading system for sports coaches and further promote the development of mass sports in urban and rural areas.

Under the revised law, the various local governments should treat mass sports activities as a major task and create necessary conditions for citizens to participate.

Wang said that the revised draft law still stipulates that the whole of society should be concerned about and offer help to aged and disabled people in their sports activities. And the relevant administrative departments should provide them with conveniences in terms of sports sites and installations.

The Law Committee of the NPC Standing Committee suggests that the draft Physical Culture Law be passed at the current session of the NPC Standing Committee since it has become generally acceptable following constant revision.

#### Customs Handles 564 Smuggling Cases in 7 Months

OW2308151095 Beijing XINHUA in English  
1306 GMT 23 Aug 95

[FBIS Transcribed Text] Beijing, August 23 (XINHUA) — Customs nationwide cracked 564 major smuggling cases with each involving over 300,000 yuan (about 36,000 US dollars) in the first seven months of this year, the General Administration of Customs announced here today.

The cases were valued at 4.655 billion yuan, more than the total amount for 1994, according to the administration.

Among the most important items seized between January and July included 701 cars, 159,100 cartons of cigarettes, 40,000 air-conditioners, 358,400 tons of crude sugar, 108,400 tons of edible oil, 33,400 tons of chemical materials, and 34,400 tons of textile materials, according to incomplete customs statistics.

The administration urged that bigger efforts be made to deal with maritime smuggling and major offences such as drug trafficking.

#### Military & Public Security

Spokesman Says Restraint Shown on Nuclear Tests  
OW2308024595 Beijing China Radio International in Mandarin to Hong Kong, Macao, the Zhu Jiang Delta, and Southeast Asia 0900 GMT 22 Aug 95

[From the "News and Report on Current Events" program]

[FBIS Translated Text] Chinese Foreign Ministry spokesman Chen Jian said in Beijing on 22 August China has always taken a restrained attitude on nuclear tests, and it will continue to do so in the future.

Chen Jian made these remarks during a Foreign Ministry news briefing.

He said: The nuclear tests conducted by China are very limited in number; and among all countries with nuclear

weapons, China has conducted the fewest nuclear tests. Second, China is actively taking part in the ongoing talks on complete prohibition of nuclear weapons, hoping that an agreement will be reached on the conclusion of a relevant treaty before 1996. Third, China has stated unequivocally that once the treaty comes into force, it will ban nuclear tests.

Chen Jian pointed out emphatically: China's nuclear tests were conducted in a sparsely populated region, and measures have been taken to ensure the safety of all its people during the tests.

#### **Exercises Pave Way for Tactical Nuclear Weapons**

*HK1808064895 Hong Kong PING KUO JIH PAO in Chinese 18 Aug 95 p 1*

[Report by reporter Ma Tien-lung (7456 1131 7893): "Further Military Exercise in the East China Sea Is Designed To Test Small Tactical Nuclear Weapons"]

[FBIS Translated Text] According to a military source on the mainland, the two military exercises within a month conducted by the mainland are designed to make preparations for using small tactical nuclear weapons in actual battles at sea, as well as to suppress the appeal for Taiwan independence.

A military source, who declined to be identified, said: Since the mainland started developing nuclear weapons later than several other countries, it has concentrated on manufacturing strategic nuclear weapons, and has failed to make great progress in developing small tactical nuclear weapons. Over the last few years, however, the mainland has made considerable progress in manufacturing missiles, and this has provided favorable conditions for developing small tactical nuclear weapons.

Experts in high-tech weaponry pointed out: Small tactical nuclear weapons can inflict much greater damage than conventional artillery and ship-to-ship missiles in actual battles at sea. An offensive fleet comprising 100 warships can be completely destroyed by several tactical nuclear missiles with their explosive force equivalent to 10,000 tonnes of explosive each.

#### **Tactical Nuclear Weapons Cause Less Pollution**

A mainland military source said: The United States, a powerful country armed with nuclear weapons which has conducted about 1,000 nuclear tests, attaches great importance to development of small tactical nuclear weapons, apart from applying itself to developing strategic nuclear weapons. China lags behind in this respect. Having a greater destructive force and causing less pollution, tactical nuclear weapons can play a bigger role in maintaining regional security and stability than strategic nuclear weapons.

The source added: Apart from the two consecutive large-scale missile tests and other joint artillery live-ammunition exercises conducted in the East China Sea, seven major military regions on the mainland also have carried out military exercises on varying scales. The Nanjing Military Region Air Force has conducted an immediate operational readiness exercise; the Chengdu Military Region has conducted a joint Army and Air Force offensive exercise; the Shenyang Military Region has conducted a comprehensive exercise involving all services; the Beijing Military Region has conducted a joint Army and Air Force offensive and defensive exercise; the Lanzhou Military Region has conducted a military exercise in coordination with the Second Artillery Corps' surface-to-surface, surface-to-air, and surface-to-ship missile tests; and the Guangzhou Military Region has conducted an Air Force exercise in combat readiness condition 2 [er ji zhan bei yan xi 0059 4787 2069 0271 3348 5045] in coordination with missile tests in the East China Sea.

Taiwan's National Defense Ministry military spokesman pointed out: During the third day of the military exercise in the East China Sea involving the PLA [People's Liberation Army] Navy Air Force's warplanes of all models, marine reconnaissance was conducted and missiles were fired in the airspace over the previously published test site. In the meantime, warships of all models also opened fire with artillery and fired missiles.

A Taiwan military source pointed out: The missiles fired by the CPC do not fall into the M category, and are not medium-range or long-range tactical-strategic [zhan shu zhan lue 2069 2611 2069 3970] missiles, but air-to-air missiles such as Thunderbolt [pili] missiles, ship-to-air missiles, and ship-to-ship missiles such as the Sea Eagle [haiying].

The military source added: The Su-27 warplanes deployed in Wuhu, Anhui by the CPC flew sorties on the first day of the military exercise. These warplanes went as far as the airspace over the Zhoushan Archipelago, but returned to base after a cruise or two.

#### **Formal War Exercise Began Yesterday**

The military source said: Warships were arrayed in the first two days of the exercise, so no missiles were fired in this period. The formal war exercise did not begin until yesterday.

**Deeds of Combat Hero Sun Mingzhi Recounted**  
**HK2308014595 Beijing RENMIN RIBAO in Chinese**  
**27 Jul 95 pp 1, 4**

[*"Newsletter"* by XINHUA correspondents Fu Yongguo (0265 3057 0948) and Yuan Rongbiao (5913 2837 1753) and XINHUA reporter Chen Hui (7115 6540): "The Exemplary Life of a People's Meritorious Veteran—the Story of Combat Hero Sun Mingzhi, Who Has Been Engaged in Agriculture for 33 Years in His Native Place"]

[FBIS Translated Text] Beijing, 26 Jul (XINHUA)—His name was among the list of national combat heroes carried in the 3 October 1953 edition of RENMIN RIBAO; his picture was also among the heroes and models during the War To Resist U.S. Aggression and Aid Korea on display at the Military Museum of the Chinese People's Revolution.

Thirty-three years ago, sick and wounded, the veteran hero, who had performed outstanding military exploits, returned to his native village in northern Jiangsu on his own initiative to engage in agriculture. There he worked with quiet devotion, adding a new chapter to his life. Leading comrades of the party Central Committee and the Central Military Committee spoke highly of his deeds.

**"Compared With the Comrades-in-Arms Who Have Laid Down Their Lives, My Little Contributions Count for Nothing"**

Born in the rural area of Laiyang County, Shandong Province, the 71-year-old hero was called Sun Mingzhi [1327 2494 5347]. He joined the Chinese People's Liberation Army in 1947. During the Liberation War and the War To Resist U.S. Aggression and Aid Korea, he was cited 11 times for meritorious service and elected a Special Class Meritorious Worker and a Second Class Combat Hero. On the Korean battlefield, he was the first in our Army to shoot down an American army aircraft with antiaircraft machine gun. He also created a brilliant military exploit in shooting down three American military aircraft and seriously damaging another in one month, for which he was awarded a National Flag Medal of the Korean People's Army.

Wounded five times and having lost his right eye during the arduous fighting years, Sun Mingzhi became a Second Class disabled serviceman. In 1959, owing to poor health, Sun, who was then deputy company commander of a regiment in the Beijing Military Region, was transferred to Jiangsu's Nantong City, where he worked as deputy chief of the storage and transport section in the city's tobacco and wine company. In 1962, frequent recurrence of an illness sustained during the wars made it

impossible for him to go on working, so the organization arranged for him to retire and recuperate. He voluntarily asked to return to the native place of his wife, Shi Baohua, in Zhougou Village, Zhaixia Township, Shuyang County, Jiangsu Province, and work as a peasant. Since then, the veteran hero has been engaged in farming in the out-of-the-way village, unknown to the public.

Sun returned to the village as an ordinary peasant. No fellow villagers knew he was a hero, neither did he talk about his past. When he was in good shape, he took an active part in collective labor. As he was not up to heavy work, he did some odd jobs, such as collecting cow dung and watching over the crops. He never stopped working every day, going to and fro between the east village and west village.

Married to him in 1957, Shi Baohua remained unaware for many years that her husband was a celebrated combat hero.

When his second daughter Sun Ping went to the township hospital to fetch medicine for him, an employee gave her a copy of the newspaper carrying her father's deeds of downing three American military aircraft. She was so amazed by the extraordinary news that she ran home....

In 1975, when Song Jiyue, political commissar of the Shuyang County People's Armed Forces Department and Sun Mingzhi's comrade-in-arms many years back, learned by coincidence that Sun was working as a peasant in his county, he called on him and then reported to the county authorities. Thereupon, together with cadres from the county's civil affairs department, county leaders went to extend greetings to him. Even then, Sun's heroic deeds were known only to a small number of leaders. At ordinary times, he thought or spoke about his comrades-in-arms who went through fire and water with him. He never enumerated his own merits. Whenever people mentioned his heroic deeds, he invariably said: "Of the 20 people joining the army in my village, only I survive. Compared with the comrades-in-arms who have laid down their lives, my little contributions count for nothing!"

**"When the Masses Are in Difficulty, Who Will Help Them If We Party Members Won't?"**

For the first 20 years, Sun received only 74 yuan a month for his annuity. As he was the only breadwinner and there were quite a few people in his family to support, he could hardly get by on such a small income. However, in the 1960's and 1970's, when he saw people in difficulty, he always helped them generously no matter how hard up he was. He frequently lent out the money even before he received his annuity. Once he

saw fellow villager Liu Yiliang and his wife weeping in front of the township hospital. Learning that they could not afford hospital expenses for their 11-year-old son, Old Sun told them: "Take your son to the doctor, and I will pay for the expenses." When fellow village Wang Kaiwu could not keep the pot boiling and had to sell the only stone mill in his family to buy grain, Sun felt as if a knife was piercing his heart. As he was running out of money himself, he sold his piglet for 18 yuan and gave the money to Wang. When his neighbor Shi Gaoqiang ran out of food, Old Sun spared him some from the little grain ration in his own family. On New Year's Day or other festivals, comrades from the county and township civil affairs departments came to send greetings to him and brought him some nutrient. No sooner had the leaders gone than Sun gave the nutrient to households enjoying the five guarantees [childless and infirm old persons who were guaranteed food, clothing, medical care, housing, and burial expenses]. He often said to his family members: "During the war years, the masses of people supported the troops with their life-saving grain in order to win a battle. Now when I see people suffer hardship, I am so miserable that I can't help shedding tears!"

Over the past few decades, almost all impoverished families in the village have received Old Sun's help at one time or another. The village folk said: "If you have difficulties, turn to Old Sun. He is a party member and is kind-hearted."

Sun Mingzhi is always ready to solve problems for the masses. What he is most concerned about is how to develop village production and help fellow villagers get rid of poverty and live better lives as quickly as possible. People in Zhougou Village still remember the story of how on two occasions Sun took up and then resigned his post as an "official."

It was during the early period of the "decade of turmoil" that he became an "official" for the first time since his return to his native village. At that time, the leading bodies of all 14 production teams in the village were paralyzed. The crops were rotting in the fields and the cultivated land lay waste with nobody caring about them. Sun went to see the commune secretary, telling him straight to the point that he wanted to become village committee chairman. Punctuating his talk with sobs, he pleaded on the people's behalf, saying: "If we fail to grasp production this time, people will die of hunger."

The commune secretary was most familiar with Sun Mingzhi, knowing that since his return to the rural area he had never asked for help or made any request to the leadership, no matter what difficulties he faced

personally. He was on the only person daring to make such a request today. If he "was appointed in times of difficulty," he would certainly be able to stabilize the situation in the village and lead the masses in developing production. However, when the commune secretary remembered that Old Sun was a disabled serviceman in poor health, he could not make up his mind.

Knowing what was in the secretary's mind, Sun held him by the hand, saying: "In the interest of the people, we are not even afraid of death; what else should we worry about?"

During the two years he worked as village committee chairman, grain output increased an average of 30 percent. Production order in the production brigade improved. When people had food to eat and their moods were calm and unruffled, he voluntarily relinquished his post as village committee chairman and put in his place the production brigade leader who had earlier stepped aside.

How time flies, and 11 years passed in a flash. Now getting on in years, Sun should have taken good care of himself in his twilight years, but he did not want to lie idle every day. After the Third Plenary Session of the 11th CPC Central Committee, the good time the people had been looking forward to—the good time when people could live a happy life by developing production—eventually arrived. However, the village cadres at that time were not fully emancipated ideologically. As a result, they dared not firmly grasp production. In addition, there had been a spring famine the year before. Some villagers had to stealthily cut the Chinese milk vetch for food, which should have been used for compost. "How can this happen? I am a Communist and I should step forward to lead people to engage in production." Having made up his mind, he went to see the higher-ups and asked to serve again as production team leader. The higher-ups approved his request.

Sun Mingzhi again worked as an "official." Soon after taking up his post, he organized the masses in a major discussion of "poverty gives rise to a desire for change" and then led them in turning 100 mu of dry land into paddy fields and developing diversified undertakings. He took the lead in working hard. In the coldest days of the year, despite his crippled legs, he was the first to jump into the icy water to dig earth and collect manure; in the hottest days of the summer, he took the lead in transplanting seedlings and sowing seeds. That year, the production team increased its grain output by 40,000 jin, and both fishery and animal husbandry developed simultaneously. After finding a path toward prosperity

and training young cadres, he voluntarily handed over his team leader post to a younger person.

**"The State Also Has Its Own Difficulties, So I Should Not Ask the Government for Help"**

He had a guilty conscience at the recollection of a past event.

When his eldest son Sun Wei and second daughter Sun Ping were studying at senior middle school, he was in such financial straits that he could not afford the expenses. Sun Ping voluntarily suggested discontinuing her schooling to enable Sun Wei to go on with his studies.

At that time, those who knew Old Sun well told him: Old Sun, you have been wounded all over during the wars and have contributed to the state. For the sake of your children, you should ask the government for help this time." Sun said: "The state also has its own difficulties. I should not ask for help because I am a communist party member."

In 1988, in line with the relevant state policy, Old Sun's children were eligible to become residents on commodity grain ration. But the policy also stipulates that those who are married are ineligible. Seeing that the Sun family was in such financial straits and that Sun Ping had just gotten married, the local police chief suggested to Old Sun: "You can fill in "unmarried" on Sun Ping's application form and I will have it done in a slapdash manner." Sun Mingzhi said in all earnestness: "This won't do. I can't do something in violation of policy." Consequently, Sun Ping is still a temporary worker at the county farm machinery plant without a registered permanent city residence. But she said: "I understand my father."

His third son Sun Chao did not have a job after graduating from junior middle school. He registered to join the army in 1993 but was not accepted because his weight was 1.5 kg short of the minimum weight. He asked his father to intercede for him with the leaders of the People's Armed Police department. In all fairness, Sun Mingzhi wanted his son to perform meritorious deeds in the army as he did in the past, but he would have nothing to do with anything incompatible with regulations. Instead, he tied rings on the tree in his house and urged his son to go in for training every day. At the medical checkup last year, Sun Chao was qualified and gloriously joined the army.

Old Sun has a large family but a small house. He did not have a presentable piece of furniture, not even a black and white television set. In spite of this, he never asked the government for help.

On 1 August 1977, at a forum held by the county party committee, Old Sun asked the government for "help" for the first time in his life. It so happened that, to care for old comrades, the county party committee allowed each of them to buy a commodity in short supply. Some people wanted to buy a bicycle, others a television set or sewing machine, but Old Sun asked the county party committee secretary to write a note to enable him to buy a tractor for the production team at a fair price. Later, the secretary said with emotion: "Old Sun is really a great fellow."

As Sun Mingzhi is old, infirm, and in poor health, it is inconvenient for him to see the doctor because he lives in the rural area. The county civil affairs bureau and the township government made a special rule allowing him to call a car at any time, but Old Sun disagreed, saying: "Since I have children to look after me, there is no need to trouble the government." On 9 June this year, Old Sun had a 40-degree-Celsius fever. His family members wanted to go the township government to ask for a car, but he adamantly refused. As a result, they had to take him to the township hospital in a flatbed tricycle. The doctor scolded them, saying: "If you had brought him a little later, he would have been in great danger."

Sun Mingzhi gave a lot to but received little from the state. Old village head Bao Enke said: "Every year Old Sun is the first in the whole village to deliver the best grain to the state. The grain management office never has to inspect the grain he delivers."

His wife Shi Baohua has this to say about him: "He never asks for government help in his personal affairs, even if the sky is falling; he has never been vague all his life about what concerns the public."

"Since the party and the people do not forget those of us who have gone through the war years, I am content with my lot." This is Old Sun's heartfelt feeling. The people's meritorious veteran has thus determined his life coordinate with such a simple feeling and maintained his true colors as a hero.

**General****Inspections To Curb Undesirable Construction**

**HK2308023895 Beijing RENMIN RIBAO in Chinese**  
**15 Jul 95 p 1**

[By reporter Fei Weiwei (6316 0251 0251): "State Council Sends Work Teams to Eight Provinces, Autonomous Regions, and Municipalities To Conduct Investment Inspection To Exercise Stricter Controls Over New Projects"]

[FBIS Translated Text] Beijing, 14 Jul (RENMIN RIBAO)—To firmly curb inflation, ensure achievement of the state's macroeconomic regulation and control targets, and promote the sustained, rapid, and healthy development of the national economy, the State Council has decided to dispatch within the next few days work teams to eight provinces, autonomous regions, and municipalities, i.e. Beijing, Shanghai, Hebei, Jiangsu, Zhejiang, Henan, Guangdong, and Guangxi, to inspect investments in fixed assets.

This reporter has learned from the State Planning Commission that, in the first half of this year, state-owned units across the country completed 376.4 billion yuan in investment, an increase of 22.2 percent over the same period last year. Although growth fell by 15.3 percentage points over the same period last year, this was still too high. In particular, some localities did not conscientiously carry out the State Council's requirements on keeping new projects under control. Since the beginning of this year, new projects have increased drastically. In the first six months of this year, 21,734 new capital construction and technological transformation projects by state-owned units were started, an increase of 3,663 projects over the same period last year; the total scope of investment in new projects was 162.1 billion yuan, up 45.6 percent. As a result, the total scope of construction projects under construction has further expanded. In light of this situation, the work of the current investment inspection includes: 1) completion of fixed assets investment by state-owned units in the first half of this year, source of funds, and investment pattern; 2) industrial structure of new projects, examination and management of projects, and outstanding problems; 3) sources of investment in new projects and problems of indiscriminate granting of credit, collection of revenues, and raising of funds, as well as appropriation of circulating funds; and 4) new development zone and real estate projects.

The State Council called on all localities and departments, especially leading cadres at all levels, to solidly foster an overall point of view and have a clear understanding of the necessity and importance of strengthening macro-control in fixed assets investment. In the

second half of this year, with the exception of some state-approved projects that have a major bearing, no localities will be allowed to start new large or medium-sized capital construction projects without authorization. Except for small capital construction projects such as agricultural, water conservation, environmental protection, and ordinary housing projects, no other new projects should be started. New technological transformation projects should also be closely scrutinized. Real efforts should be made to meet the requirements of optimizing product mix, improve product quality, adopt advanced technology, and economize on and make comprehensive use of resources. It will not do to rely exclusively on expansion of production capability, still less to engage in capital construction in a disguised form. The focus of real estate projects to be kept under control is high-class office buildings, villas, holiday resorts, and high-class pavilions. In the course of inspection, all projects that are found to have no funds, lack the necessary construction conditions, or have unclear market prospects must be resolutely suspended.

With the State Planning Commission as the head, the investment inspection work teams are jointly formed by the State Economic and Trade Commission, the Ministry of Finance, the People's Bank of China, the Auditing Administration, the State Statistical Bureau, the Development Bank, the Construction Bank, and other departments. Those provinces, autonomous regions, and municipalities where no work teams are dispatched should conduct self-inspection and put forward corresponding measures for dealing with outstanding problems. By the end of July all localities should submit to the State Council reports on self-inspection results and measures to be taken.

**Overview of Experience in Enterprise Reform**

**HK2308050395 Beijing LIAOWANG in Chinese**  
**5 Jun 95 No 23, pp 12-13**

[Article by Wu Fumin (0702 1788 3046) and Li Zhenghua (2621 2973 5478): "China Is Making Vigorous Efforts in Experimenting With the Modern Enterprise System"]

[FBIS Translated Text] In May this year, more than 200 representatives from both experimental enterprises for the establishment of a modern enterprise system and pilot cities for the project of "optimizing the capital structure" gathered in Shanghai. During the meeting, they exchanged experiences and held heated discussions over the issue of state enterprise reform, one that has proven to be of major concern to the whole nation. Encouraging news has come from all parts of the country: After going through a tough process

of "tackling key problems," the country has made breakthroughs in certain aspects and key issues of state enterprise reform. What is more gratifying is that many tentative ideas on reform and many experiences gained from experiments are now being written into documents for implementation, which outline the country's efforts to invigorate its overall state-owned economy.

Ever since the convocation of the national conference on experimenting with modern enterprise reform in November last year, leaders at all levels have gradually reached a consensus on the guiding ideology of enterprise reform, while all ministries and commissions have consulted with each other and made substantive efforts in accelerating the progress of coordinative reforms. All these have given a great impetus to an in-depth progress of experiments with in enterprise reform.

**Clear About the Orientation of Their Mission,  
Experimental Enterprises and Pilot Cities Are Swift  
in Action**

At present, 100 "national-level" enterprises selected for experimentation with the modern enterprise system have acquired a common understanding of the orientation of their mission, and are have all been swift in action. An overwhelming majority of them have reached a stage of drawing up a "program for implementation." Among these enterprises, most have submitted their implementation programs to the higher authorities for scientific appraisals and have made amendments accordingly. During this process, most enterprises have successfully integrated the reform of their organizational management system and labor personnel systems with the formulation of their development strategy, combined the establishment of a new operating mechanism with increased investment, introduced new investment entities, and have improved their asset-liability structure. Many of them have also conducted useful explorations in introducing a merger and bankruptcy mechanism, and in optimizing the realignment of state assets reserves.

Meanwhile, the 19 pilot cities for the project of "optimizing the capital structure" have focused their attention on "increasing capital inputs, transforming the operating mechanism, resettling surplus work force, and introducing the practice of bankruptcy"; given play to each city's comprehensive superiorities and special functions in conducting coordinative reforms; and attained new headway in introducing the merger and bankruptcy mechanism which is featured by "three transformations and one reinforcement." Statistics have shown that a total of 159 enterprises in the 18 pilot cities have declared bankruptcy, of which 46 became insolvent and closed down in 1994, with 99.6 percent of the workers and staff properly resettled. The year 1995 will see

the insolvency of another 83 enterprises. The number of enterprises merged with others exceeds 1,000 by now, of which 538 enterprises are in Shanghai. By ordering these enterprises to go bankrupt, the country has brought 4.9 billion yuan of idle assets into circulation and has made proper resettlement arrangements for the 260,000 workers and staff involved. Moreover, the level of both technological transformation and capital input of the 18 pilot cities is also higher than the national average.

Today, considering the establishment of a modern enterprise system, which is a strategically significant innovation on the old system, as a "main content" for the reform and development of the coming three years, Shanghai is currently making vigorous efforts to establish a modern enterprise system which can suit China's national conditions, reflect Shanghai's special features, and can be easily adopted by all enterprises. Meanwhile, the municipality is also trying hard to attain overall headway in opening up a new road for the invigoration of state enterprises and the state-owned economy. In line with General Secretary Jiang Zemin's instruction that Shanghai should take the lead in the establishment of a modern enterprise system, Shanghai has drawn up a program under which the basic framework of a modern enterprise system is expected to take shape in three years' time. This year, one third of state enterprises in Shanghai will change their operating mechanism and introduce new systems, while the other two thirds are expected to be put into action next year.

**Making Constant Breakthroughs on "Key Issues"  
and "Difficult Points"**

People often say that in playing the role of "vanguards" in reform, experimental enterprises and pilot cities have conquered numerous "strongholds," that is, "key issues" and "difficult points" in the major campaign of state enterprise reform. An analysis of information coming from all sides shows us that China has made the following breakthroughs in its enterprise reform:

Gratifying progress has been made in separating the functions of the government from those of enterprises, and from those of investment entities. During the present course of experimenting with the modern enterprise system, regarding the work of separating the functions of government from those of investment entities as the cornerstone for separating the government's functions from those of enterprises, the 18 pilot cities have stipulated the amount of capital invested in enterprises by the state as an investor, thus defining the ownership interest of the state. Meanwhile, enterprises have been given corporate ownership rights over all of the assets produced by the input of investment entities, which includes the state. In line with the principle that "departments which act as a

mother-in-law cannot be the boss, while the boss cannot play the role of mother-in-law," Shanghai is concentrating its efforts on redefining the respective functions and roles played by the government, enterprises, and investment entities in the wake of the institutional reform of the relevant authorities in charge.

— Efforts have been made to ease the unduly heavy debt burdens of some state enterprises and to help them restructure assets and debts so as to lower their asset-liability ratio. First of all, the pilot cities have conducted a reappraisal of the fixed assets and working capital of their enterprises. Ever since the beginning of last year, the work of reappraising the stocks and assets of enterprises has been unfolded in 21,700 state-run enterprises in 17 pilot cities selected for the project of "optimizing the capital structure" (Zibo City fulfilled its mission in 1993), making up 85 percent of the total number of state enterprises in these cities. Through the reappraisal of the stocks and assets of the enterprises, the pilot cities have basically found out about the "family properties and resources" of their state-run enterprises: Among the state-run enterprises of the 17 pilot cities taking part in the assets reappraisal, the average asset-liability ratio on the book stands as high as 79 percent, while their assets loss and outstanding accounts totalled 84.5 billion yuan, making up 11.6 percent of their total assets and 56 percent of their ownership interest. Acting within the limits of their authority without stalling for time or relying on help from the higher authorities, the pilot cities have, in the first place, offset upon verification part of the assets losses incurred by these enterprises, thus squeezing the "inflated stuff" out. Meanwhile, by implementing the policy that part of enterprise income tax will be returned to supplement the production and management funds of enterprises, and also through transforming local "loans changed from allocation of funds" into national capital, the pilot cities have increased their input of national capital into competent enterprises, and on this basis, have actively explored useful ways to establish a new system for the supervision, management, and operation of state assets, as well as new methods for the implementation of the responsibility system concerning the preservation of and increase in the value of state assets.

In Changchun City where the "phenomenon of the Northeast" is prominent, state-run enterprises, which have long been plagued by their unduly heavy burdens, have found it very hard to become profitable. In the course of experimenting with enterprise reform, Changchun has adopted five measures to help state enterprises restructure their assets and debts and lower their asset-liability ratio gradually. The five measures include opening two accounts, one old and one new,

introducing investment to merge inefficient enterprises with efficient ones, turning creditors' rights between enterprises into ownership rights, and relieving enterprises of their heavy debt burdens. By concentrating its efforts on exploring new ways for raising funds through multiple channels, Shanghai has adopted a new practice by which efforts will be taken to "transform the operating mechanism of a number of enterprises through making flexible use of their stocks and assets, attract investment from all sectors of the society by multiple means, expand the production of enterprises by turning their creditors' rights into ownership rights, give new life to a number of insolvent enterprises by merging them with profit-making enterprises and by allowing them to go bankrupt, accelerate the growth of a number of enterprises by supplementing their production and management funds, and help a number of enterprises tide over their difficulties by granting them government subsidies."

During the process of restructuring the assets and debts of enterprises, in line with the principle that debt burdens should be shared with the state, the Tangshan Soda Factory has drawn up a plan to transform its 935 million yuan balance of loan principal and interest, including "loans changed from allocation of funds," into national capital. Of the total, 463 million yuan has been undertaken by corporate investment organs under provincial and city authorities, while 245 million yuan is expected "to be changed into investment" under the relevant plans of the central government. The implementation of this trial program, which has gone through repeated scientific appraisals, can lead to the establishment of companies with limited liability featured by multi-element investment entities, and can also help lower the assets-liability ratio of enterprises from 91.5 percent now to 51.2 percent.

— Steps have been taken to materialize and make good use of existing policies, with a view to enhancing investments in the technological transformation of competent enterprises. To attain the goal of "relying chiefly on enterprises to raise supplementary funds," all experimental enterprises have acted in line with the requirements set in the relevant documents issued by the state and have successfully put into effect a number of measures, including capital increases facilitated by depreciation recapitalization [zeng ti zhe jiu 1073 2251 2124 5283] over the reassessed value of fixed assets; accelerated depreciation by enterprises with appropriate conditions; interest on long-term borrowings; and retention of sufficient provident funds from after-tax profits. In Qingdao City, state industrial enterprises are enjoying an appreciated value of 1.7 billion yuan over the original value of their fixed assets; and through depreciation recapi-

talization, enterprises can enjoy supplementary funding of 88.26 million yuan every year. Moreover, in its conscientious implementation of the "two regulations," the city has input an additional amount of 323 million yuan into its state enterprises to supplement their production and management funds. Zibo City and Baoji City have respectively inputted an additional 100 million and 39 million yuan gained from recapitalization to supplement the production and management funds of their enterprises. Changchun City stipulates that after retaining 10 percent as provident funds, all profit-making enterprises should use all their after-tax profits to supplement their capital and cannot distribute after-tax profits until the proportion of capital exceeds 50 percent of their total assets. In this way, a total of 66 million yuan can be used as supplementary capital each year. Last year, most of the 18 pilot cities put into effect the policy under which 15 percent of the enterprise income tax paid to the government by profit-making enterprises will be returned to supplement their production and management funds, thus increasing the total capital of enterprises by 1.1 billion yuan. Among the 18 cities, Shanghai, Shenyang, and Harbin have attained certain results in practicing a policy by which competent enterprises are refunded 100 percent of the income tax they have paid to the state. While striving to increase the production and management funds of their enterprises, the pilot cities have also exerted efforts to accelerate the pace of technological transformation of competent enterprises in line with the principles of "selecting the superior and supporting the efficient" and "giving priority on an equal basis."

It is necessary to use the merger and bankruptcy mechanism as major means to accelerate structural readjustment of enterprises and to optimize the structure of state-assets reserves. This is the road of reform and development currently taken by all pilot cities. In particular, they have accumulated a great deal of experiences in the bankruptcy of enterprises, which was once regarded as a "dangerous path." Tianjin's insolvent Bohai Brewery succeeded in going into liquidation at its first attempt by adopting the practice of "integrated public auctions," and its experience in this aspect has been thought of highly by all. People believe it useful to learn from the experiences of this enterprise in practicing a standardized bankruptcy procedure according to the law: It is important to set up professional settlement offices, give play to the roles of intermediary social organs in the practice of bankruptcy, and socialize and specialize bankruptcy work; employment guidance centers should be set up to make proper resettlement arrangements for redundant workers and staff; and efforts should be made to protect the interests of the three parties, namely investors, creditors, and workers and staff in strict accordance with the relevant policies and stipulations. The

experience gained by Zhuzhou City in practicing the bankruptcy of enterprises has also been valued by all. Enterprises applying for bankruptcy in Zhuzhou have all had their applications properly examined and approved by their workers representatives' committee; units taking over insolvent factories will move in with the acquisition team so that they can familiarize themselves with the actual situation and promptly draw up plans for resuming production, while insolvent enterprises must seek the consent of their major creditor bankers before declaring bankruptcy. Meanwhile, the close coordination between people's courts, local governments, and banks has also played a part in maintaining the stability of society during the course of bankruptcy.

— Useful explorations have also been conducted, and results attained, in lightening the social burdens of enterprises and resettling their surplus work force, in improving the assets management of these enterprises, and in reforming the management system of enterprise cadres. Relieving enterprises of their heavy social burdens and resettling their surplus work force is a key issue, and also a sticky business, facing state enterprise reform. The experience gained by experimental units has told us that to successfully tackle this issue, enterprises must, while paying close attention to changing their operating mechanism and establishing a modern enterprise system, adopt the method of "two steps" by which enterprises should first try to separate themselves from auxiliary public service units so as to gradually cut down their operating expenses, and then, when conditions permit, turn the latter into independent units that are responsible for their own profits and losses. To create necessary conditions for enterprises to ease their heavy social burdens, all cities should give full play to their urban functions and should actively take over public service units originally under the enterprises. On the basis of their success in severing public service units from enterprises and in resettling redundant enterprise workers and staff, all pilot cities have accelerated their pace of the establishment of a social security system. Unified social insurance organs have been set up one after another in cities like Tangshan, Shenyang, Taiyuan, Bengbu, Shanghai, Zhuzhou, and Harbin. Shanghai was the first to set up state assets management companies in its Instrument and Meter Bureau and Textile Bureau, while Qingdao abolished 14 industries bureaus (provincial-level corporations) and "transformed" them into assets management companies. Many cities have also attained results in the establishment of a management system of enterprise cadres, which supervises both the operational and personnel affairs of enterprises.

**Continued Efforts Should Be Taken To Conduct Enterprise Reform as a Central Task**

During the course of tackling major and sticky problems that have cropped up in reform, all experimental units have gained a common knowledge: It is very important to seize the right opportunities and set about a job once we made up our mind. To do this, we should not only have firm determination but should also display the courage to explore new avenues, work with persistent efforts and meticulous care, sum up our experience on a constant basis, and act as a paving tile, or an experimental field, for the comprehensive implementation of the modern enterprise system in all enterprises across the country.

A leading official of the State Economic and Trade Commission noted that despite the heartening progress we have attained, we are still faced with arduous tasks in enterprise reform. At present, the key to promoting enterprise reform is to reinforce leadership, seek unity of thinking, make meticulous arrangements, and promote the work vigorously. We should, on the one hand, acquire a correct understanding of the significance and urgency of the enterprise reform, and on the other hand, be fully aware of the difficulty and complexity of the work. We should have firm determination, seize favorable opportunities, have the courage to further promote the progress of enterprise reform, carry out our work in a down-to-earth manner, and strive for tangible results with persistent efforts. Experience has proved that so long as the principal leaders of relevant regions and departments attach importance to and take personal charge of the work, we can surely find new ideas and new solutions to major and sticky problems. The leading official of the State Economic and Trade Commission also called on economic and trade commissions in all localities to regard enterprise reform as their central task. Meanwhile, he also expressed hope that all other departments can work in close coordination with economic and trade commissions, take the initiative to cooperate with the latter in the implementation of relevant policies, make joint efforts to promote enterprise reform and relevant pilot projects, and make due contributions to invigorating the development of large and medium-sized state enterprises and to rejuvenating the national economy of our country.

**Finance & Banking**

**Shanghai Stock Exchange Head Reportedly Resigns**  
*HK2308061195 Hong Kong EASTERN EXPRESS  
in English 22 Aug 95 p 17*

[By Wang Xiangwei: "Wei Takes Leave as Reshuffle Starts"]

[FBIS Transcribed Text] The president of the Shanghai Stock Exchange, Wei Wenyuan, yesterday took a leave of absence prior to his official resignation on September 1, according to an exchange official.

The official, who declined to be named, said that Wei has left for good and his post will be taken over by Yang Xianghai, the director of the Shanghai Securities Administration Commission.

Sources close to the exchange said yesterday that Yang Bo, the vice-president of the exchange, is also expected to leave soon, and the restructuring of the departmental level of the exchange is also expected. They said Wei tendered his resignation two months ago.

The departure of Wei and Yang, which has been rumoured for some time, is part of the biggest personnel reshuffle in the country's two stock exchanges and the top securities watchdog, the China Securities Regulatory Commission (CSRC), since the two exchanges opened for business in 1990. Sources in Shenzhen said that Xia Bin, the president of the Shenzhen Stock Exchange, is also expected to go soon, and will be replaced by a senior official at the Shenzhen Securities and Exchange Commission.

In March, Liu Hongru, the flamboyant chairman of the CSRC, was replaced by Zhou Daoqiong, a conservative banker, after China's stockmarkets had been rocked by a series of scandals, culminating in the country's largest bond-futures scandal involving billions of renminbi and China's largest stock brokerage, Shanghai International Securities. Sources close to the CSRC said yesterday that a number of officials have since left the commission, including the highly-regarded chief of the department of regulation, Chen Dagang, and the deputy director of international operations, Bei Duoguang.

They said that several more CSRC officials are also rumoured to be leaving soon, and that the nationwide reshuffle of the securities officials is inevitable, particularly following the bond-futures scandal in which Shanghai International was exposed attempting to rig prices. The high-profile chief of Shanghai International, Guan Jinsheng, has since been sacked and placed under arrest for unspecified economic irregularities. Trading in bond-futures was also suspended.

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The new chief of the CSRC has vowed repeatedly that his top priority lies in pushing for more market standardisation and regulation.

Wei has also been partly blamed for his failure as the chief executive of the exchange in exercising the tight regulation of the market.

Sources said that Wei, who has been praised for his pioneering efforts in running China's largest stock exchange, is planning to set up his own investment company.

**East Region****Taiwan Delegation Criticizes Li Teng-hui**

*SK2208055095 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 21 Aug 95*

[FBIS Translated Text] A few days ago, the delegation of young Taiwan compatriots in east China paid a visit to the East China revolutionary martyrs' mausoleum and also held a forum, successively criticizing Li Denghui's [Li Teng-hui] tendency toward Taiwan independence and the statements and actions of the elements who advocate Taiwan independence.

Some young Taiwan compatriots solemnly pointed out that Li Denghui's tendency toward Taiwan Independence runs counter to the will of the people in Taiwan. They hoped that the Taiwan authorities would reopen the gate for the contacts between the two sides of the straits; and realize the target of direct exchange of mail, trade, and air and shipping services. They also pledged to resolutely support the Chinese Communist Party's one-country, two-system policy toward Taiwan; to use their special status to take on the special historical mission; and to positively make contributions to the great cause of reunifying the motherland.

**Robbery Ring Apprehended in Shandong**

*SK2108124095 Jinan DAZHONG RIBAO in Chinese 23 Jul 95 p 2*

[FBIS Translated Excerpt] A five-member robbery ring, which committed crimes with guns, was seized on 20 July by the Donggang District Branch of Rizhao City Public Security Bureau. All the ring's members were arrested. [passage omitted]

Principal offender is Wang Jiashi, male, age 26, and accountant of Zhonglouzhen Construction Company in Juxian County. Offenders Wang Haibo and Lu Zhengxin and Chen Zhengguang and Gao Yuetang, members of this ring, are all residents of Zhonglou Town in Juxian County. Since this spring, this ring has committed more than 20 criminal cases in Rizhao, Junan, and Linyi, taking more than 20,000 yuan and injuring three persons by shooting them.

**Shandong Seeks To Alleviate Poverty**

*SK2308104395 Jinan DAZHONG RIBAO in Chinese 21 Jul 95 p 1*

[By reporter Qi Huaidong (7871 3232 2639): "Aim To Lift Out of Poverty 800,000 People From 19 Poverty-Stricken Counties Annually"]

[FBIS Translated Text] Beginning this year, Shandong will devote four years to solving the food and clothing problem of the remaining 3.2 million poverty-stricken

people. The provincial conference on aid-the-poor development, which was held in Jinan on 20 July, studied and made arrangements for this issue as well as called on the entire province to add impetus to the work to ensure that the most difficult tasks in the aid-the-poor endeavor are fulfilled.

Last year was the first year for Shandong to implement the "plan for lifting 40 million people from poverty in five years." The state and the province invested 84.7 million yuan for 154 developmental projects, which have created 190 million yuan of profits and may directly lift 100,000 poverty-stricken households out of poverty. In the rural areas of the 19 poverty-stricken counties in the province, the per capita net income is now 949 yuan, an increase of 239 yuan over last year, which is an increase over five times greater than the average of the preceding 10 years. Poverty-stricken people in the province whose per capita net income is lower than 740 yuan have been reduced from 4 million in 1993 to 3.2 million. Shandong no longer has rural towns and townships whose per capita net income is lower than 500 yuan, or villages whose per capita net income is lower than 400 yuan. Last year, the 19 poverty-stricken counties in the province increased their cultivated land by 320,000 mu and their grain fields by 220,000 mu, and afforested 250,000 mu of land with fruit trees and 300,000 mu with other trees. Roads were built to link to all administrative villages. The last village lacking electricity received access to electricity in October last year, while the difficulty in supplying drinking water to men and animals was by and large eased. The GNP and revenues of these poverty-stricken counties totalled 27.2 billion yuan and 1.1 yuan, respectively, up 16 and 32 percent from the preceding year. School attendance by their children increased to 98 percent; 80 percent of the poverty-stricken labor force was able to master one or two production skills.

Vice Governor Shao Guifang spoke at the conference, setting specific demands for Shandong's aid-the-poor work: First, the basic needs of food and clothing for the 19 poverty-stricken counties listed in the aid-the-poor plan of the state and the province should be met. From this year to 1998, Shandong should make sure 800,000 people are lifted from poverty annually. The state and the province will no longer provide support to counties already lifted from poverty; the cities and prefectures where these counties belong must never weaken their support so as to prevent them from becoming poor once again. Second, all relevant cities and prefectures should focus their investment on aid-the-poor work and should make sure their investment is no less than 30 percent of the aid-the-poor investment made by the state

and the province. Meanwhile, a multi-channel, multi-layered, and multi-directional aid-the-poor investment mechanism should be established and improved. Third, the management of funds should be strengthened across the board, and the aid-the-poor funds should be used on a priority basis in farming, livestock breeding, and processing projects that help meet the basic food and clothing needs of the masses. The intellectual resources of poverty-stricken areas should also be developed, and the "dragon head" leading strategy should be promoted. All levels and departments should formulate preferential policies for supporting the poor in order to create a relaxed environment for the economic development of poverty-stricken areas.

**Shanghai Stresses Workers' Education**

*OW2108155195 Beijing XINHUA in English  
1255 GMT 21 Aug 95*

[FBIS Transcribed Text] Shanghai, August 21 (XINHUA) — Workers' education in Shanghai, China's largest manufacturing center, has attracted a lot of attention due to educational developments and the efforts of workers.

A survey has shown that Shanghai now has a total of five million workers, 33.8 percent with a junior-high school education, 41.8 percent with a senior-high school education, and 23.1 percent with a higher education.

In addition, 49.2 percent of them have technology certificates at the elementary-level, 39.3 percent at the mid-level, and 11.2 at the upper-level.

Statistics show that a total of two million workers wanting to learn more about science and technology, have attended training classes of all kinds, getting further education in recent years, including 1.45 million new comers to the factories or enterprises.

"I spend four nights in the training school every week to study for the qualification certificate," said Miss Huang, a cashier in a local enterprise.

"Otherwise, I will lose the job to a qualified worker," she added.

**Shanghai's Pudong To 'Propel Development'**

*HK2308013995 Beijing CHINA DAILY in English  
22 Aug 95 p 1*

[By Chen Qide: "New Policies To Aid Pudong"]

[FBIS Transcribed Text] Shanghai — A powerful push from the central government in the form of new preferential policies is likely to further propel development in the Pudong New Area.

The central government plans to set up a specific development fund to ensure funding for Pudong's continued growth, Mayor Xu Kuangdi said yesterday as he delivered a government work report to the 20th session of the Standing Committee of the Shanghai Municipal People's Congress.

Other new policies for Pudong include establishment of experimental, Sino-foreign joint-venture trade companies to help promote import-export business. Thus far, business sectors, like trade and finance, in China have not been fully open to foreign investors.

Some foreign banks in Pudong also will be selected to deal in the Chinese currency business. Right now, no foreign banking concerns in China are allowed to deal in the renminbi business.

Xu noted 169 projects are under construction in Pudong's Jinqiao Export Processing Zone, while 93 high-rises are being built in Lujiazui Finance and Trade Zone. Four others there already are completed.

The Shanghai Stock Exchange plans to move into the finance and trade zone next year. A large number of other markets, including metal, grain and oil futures exchanges, will follow suit, he said.

The mayor also told the people's congress standing committee that economic growth in the city for the first six months of the year was 13.3 per cent, higher than the targeted 10 per cent to 12 per cent.

The gross domestic product (GDP) climbed to 114.15 billion yuan (\$13.75 billion), indicating continuous and rapid economic growth.

Between January and June, the local industrial output was valued at 217.17 billion yuan (\$29.78 billion), an increase of 17.4 per cent over the same period last year.

The industrial products sales rate was 97 per cent and exports were worth \$5.9 billion during the period, Xu said.

**Zhejiang Airport Open To Foreign Airlines**

*OW2208034795 Beijing XINHUA in English  
0323 GMT 22 Aug 95*

[FBIS Transcribed Text] Wenzhou, August 22 (XINHUA) — The airport in Wenzhou, a new industrial city in east China's Zhejiang Province, passed a recent appraisal done by a central government department, giving it approval to handle foreign airline traffic.

The airport has grown rapidly since it started operation in July of 1990. It now has connections on 41 air routes, and handles more than 170 flights a week.

Its monthly passenger capacity is above 100,000, and it ranks the 21st among the country's 119 airports as far as the handling capacity is concerned, according to officials with the airport.

**Correction to County 'Seeking Room for Growth'**  
**HK1808055095**

The following correction pertains to an item headlined "Jiangsu's Wuxi Seeking Room for 'Growth'" published in the 17 August China DAILY REPORT on page 44:

Column one, make sourceline read: ...Beijing CHINA DAILY in English 18 Aug 95 p 5... (correcting date).

### North Region

#### Hebei Secretary, Governor on Work Demands

**SK2108055695 Shijiazhuang HEBEI RIBAO**  
in Chinese 14 Jul 95 p 1

[By reporters Zhang Zhixin (1728 1807 2946) and Zhao Jujiang (6392 5112 3068)]

[FBIS Translated Text] The three-day provincial meeting of secretaries of city and prefectural party committees, mayors of cities, and commissioners of prefectures ended in Shijiazhuang on 13 July. The meeting's participants examined the work in the first half of this year and studied how to further grasp the work in the second half of this year in line with the demands set for the "implementation year."

Responsible comrades of 11 cities and prefectures respectively made reports on the progress of the work in the first half of this year and on the plans for the work in the second half of this year. Li Zhanshu, standing committee member and secretary general of the provincial party committee, made a report on the progress of the 35 events that should be grasped in 1995 as defined by the provincial party committee and the provincial government. Guo Shichang, vice governor of the province, talked about the situation in "reversing deficits and relieving difficulties," as well as his opinions related to this work. A responsible comrade of the provincial financial department introduced the current financial situation. That afternoon, Cheng Weigao, secretary of the provincial party committee, and Ye Liansong, governor of the province, made important speeches at the conclusion of the meeting.

In his analysis of the work in the first half of this year, Cheng Weigao pointed out: The work in the first half of this year was good, and the fine situation characterized by rapid economic growth and steady social order was continuously maintained. He said: In the first half of this year, we did a series of work in a down-to-earth manner, in line with the central authorities' demand on seizing

the opportunity, deepening reform, opening wider to the outside world, promoting development, and maintaining stability. Thus, the pace of reform and opening up was accelerated, and an all-around increase in economic construction was effected. Along with the smooth progress of reform, opening up, and economic construction; new enhancement was effected in party building, particularly the building of the ranks of ideological and political leaders and cadres, leading bodies, and the organizations at the grass-roots level. Adhering to the principle of paying attention to both material and spiritual civilizations, we further strengthened the building of spiritual civilization. Because all of our work was conducted under the prerequisite of submitting to and maintaining stability, the political and social stability in the first half of this year was better than that in the previous year thanks to the concerted efforts of all party members and cadres, although there were many new economic and social problems. Such a good situation and development trend is really gratifying and inspiring. This good situation cannot only be manifested in the smooth progress of the building of two civilizations, with economic construction as the center, but also, that which is most important and most valuable, can be manifested in the fact that leading bodies of the 11 cities and prefectures, of most counties and cities [shi], and of most provincial-level units in the province have been very united and hardworking, party-government relations in most localities have been harmonious, most leading cadres have been able to concentrate on working hard quietly, and most localities have further explored new ideas on economic development and have become increasingly aware of the work direction and increasingly active in doing work. In addition, the spiritual outlook of the ranks of cadres has been good, their attitude in doing work has been strong, and their sense of responsibility and urgency has been intensified. Such a good situation is the result of our efforts to uphold the party's basic theory and line; to firmly implement the line, principles, and policies of the CPC Central Committee; to repeatedly stress party spirit and assess and use cadres based on political achievements; to persist in the correct direction for cadre work; and to stick to the reform of the cadre system over the past few years. This is an important experience that must be firmly kept in mind and be continuously upheld. When the principle of being fair and upright in using cadres is upheld, undertakings thrive and prosper; and when the principle of indulging in using cadres is upheld, undertakings lead to failure.

Cheng Weigao demanded: To unfailingly grasp weak links in our work, to give prominence to tackling difficult and key matters, and to ensure the implementation of the 35 events defined by the province early this year; all localities and departments should seriously and

earnestly adopt feasible measures in line with the tasks assigned to each of them and should do their best to ensure the fulfillment of all the goals and tasks related to these 35 events. In organizing the overall work, party committees and governments at all levels should not only pay attention to key points and weak links, but also be good at controlling the whole situation. In terms of the current economic work, what is most important is agriculture and state-owned economy and enterprises. Viewing from the development of economic work, the key lies in the endeavor of successfully developing industry, agriculture, and the tertiary industry during the Ninth Five-Year Plan period and the endeavor of promoting scientific and technological progress, readjusting economic structure, and increasing economic efficiency. Viewing from the current agricultural situation, we should not only go all out to resist natural calamities to ensure a bumper harvest in autumn grain, but also accelerate the readjustment of the agricultural structure and the development of agriculture characterized by high output, high quality, and high efficiency in the second half of this year. Meanwhile, we should continue to develop town and township enterprises and make great effort to increase the income of peasants. In the field of invigorating state-owned enterprises, we should firmly and unwaveringly popularize the experiments for the modern enterprise system and carry out supporting reforms accordingly, with focus on the establishment of the modern enterprise system. In the current economic work, the following conspicuous problems not only hamper economic development but also affect social stability: First, enterprises running a loss continue to increase in number; second, appropriate arrangements have not been made for the daily lives of workers and staff members of the enterprises that have stopped production completely or for half the time; third, prices of means of agricultural production have been out of control; fourth, price index has been in the high level; fifth, cross-defaults have seriously affected the efficiency and normal operation of enterprises; and sixth, wages have not been paid to state functionaries in some counties. If these six problems are tackled through realistic work, we will be able to mobilize the initiative of all fields to promote economic development and political and social stability. We hope that all localities and departments concerned will make concerted efforts to resolve these problems.

Cheng Weigao stressed: We should pay special attention to strengthening ideological and political building and make great efforts to improve the political expertise of the vast numbers of cadres, leading cadres in particular. Various kinds of complicated situations in the market economy will be more liable to corrode cadres and to give rise to deals between power and money.

If we refuse to conscientiously resolve the problems with regard to the outlook on world, on life, and on value of cadres, leading cadres in particular, and refuse to earnestly uphold the party's purpose of wholeheartedly serving the people, our leading cadres will not only be unable to intensively study professional proficiency and plunge into work but also be liable to deviate from the correct direction of reform and opening up. Worse still, some of our cadres who fail to withstand trials from bourgeois ideas will be hit by sugarcoated bullets. As a result, they will be hit down before the market economy is boosted. Hence, for the time being, we should especially pay attention to the ideological and political building of vast numbers of cadres, party-member leading cadres in particular, and make great efforts to improve their political expertise. Beginning with provincial-level organizations, we should schedule one year to conscientiously and realistically launch the activities on three studies (studying theory, party Constitution, and model—Kong Fansen), three examinations (examining the outlook on world, the outlook on life, and the outlook on value), three overcomes (overcoming individualism, money worship, and hedonism), and one adherence (adhering to the party's purpose of wholeheartedly serving the people,) among the vast numbers of cadres in the province, leading bodies first.

The provincial party committee is preparing to make a special decision for the above-mentioned activities. The departments directly under the provincial authorities and all cities and prefectures in the province may experiment with the activities first, and after experiences are gained, the activities should be extended gradually. While paying attention to ideological and political education, we should further attend to the struggle against corruption. The provincial authorities as well as all cities and prefectures should deal with a number of major and appalling cases committed by leading cadres which the masses complain about very much; should pay attention to implementing the two five-article regulations and the four supplementary regulations regarding administrative honesty and self-discipline in line with the demands of the Central Discipline Inspection Commission; and should severely punish those who committed offenses in violation of these regulations. In addition, they should continuously investigate and correct the following eight poor practices: 1) the poor practice of building and using houses far beyond the set standards; 2) the poor practice of obtaining the little exchequers; 3) the poor practice of collecting unwarranted charges and fines on highways and arbitrarily stopping cars for a forced car washing; 4) the poor practice of eating, drinking, and being merry at public expense; 5) the poor practice of collecting unwarranted fees from students of elementary and middle schools; 6) the unhealthy tendencies on

construction markets; 7) the poor practice of employing trickery and giving false and exaggerated reports; and 8) the poor practice of adding burdens on peasants in violation of state regulations.

Ye Liansong, governor of the province, made a systematic analysis of the economic situation in the first half of this year and made all-round arrangements for the economic work in the second half of this year. He said: Since the beginning of this year, all cities, prefectures, and departments in the province have firmly grasped the overall task of "seizing the current opportunity to deepen reform, opening wider to the outside world, promoting development, and maintaining stability;" have appropriately handled the relations between reform, development, and stability; and have made great efforts to accelerate reform and development and maintain stability. As a result, the province's national economy has continuously maintained a relatively good trend of development. Major indicators of such a good situation are: A bumper harvest has been reaped in summer grain, and the agricultural situation has been good. Industrial production has continued to increase, the increase rate of the state-owned industry has been accelerated somewhat, and production and marketing have been linked in a fairly good manner. Investment in fixed assets has increased steadily, and investment structure improved further. Sales on markets have been brisk while remaining stable, and the increase margin of commodity prices has dropped on a monthly basis. Foreign trade and export has increased promptly, and the increase trend of utilized foreign funds has been good. Bank savings have increased fairly quickly, and the monetary situation has become basically normal. Urban and rural residents' income has increased, and the people's standard of living has improved somewhat.

As indicated by the above situation, the current economic situation of the province is developing towards the pre-determined overall direction, and the overall situation of the province is good. While affirming achievements, Ye Liansong also revealed the problems and difficulties existing in the current economic activities. First, the increased margin of commodity prices remains high. Second, the quality of industrial economic increase is not high, and economic efficiency remains low. Third, the pace to fulfill financial revenue task is slow, and the shortage of revenues is serious. Fourth, the increased speed and efficiency of township and town enterprises have declined, and the situation in this aspect is grim.

Ye Liansong said: The main trend of economic development is currently good. However, to effect a sustained, rapid, and sound development of the national economy, and to ensure the fulfillment of all tasks set for this year, we are still required to do the following work well: First,

we should make great efforts to reap a bumper harvest in all crops, pay attention to developing a highly efficient type of agriculture that provides greater and better yields, and accelerate the development of township and town enterprises.

Second, we should focus our energy on improving the quality and efficiency of industrial economic growth and ensure the fulfillment of the target of "effecting increase in the added value of industry, in the profits and taxes realized by the industry at or above the township level that exercises independent accounting, and in the investment in technological renovation, reducing the deficits of enterprises, and improving the composite index of the industry's economic efficiency." Third, we should ensure the reasonable increase in the investment of fixed assets and pay attention to building key projects. Fourth, we should attend to reform and opening up by promoting reform comprehensively and making breakthroughs in major aspects. Fifth, we should further strengthen price control and strive to cut down the overly high margin of price hikes. Sixth, we should make great efforts to increase financial revenues and strive to make the financial work a success. Seventh, we should appropriately draw up the Ninth Five-year Plan and the 2010 development plan around the task of building Hebei into a competitive province.

Ye Liansong stressed: While grasping economic work, we should continue to uphold the principle of "taking a two-handed approach and being tough with both hands." In the meantime, we should appropriately handle relations between reform, development, and stability and make great efforts to maintain social stability. We should make proper arrangements and provide guarantee for the daily lives of the masses in disaster- and poverty-stricken areas, for the people who are moved from areas where reservoirs are being built to other places, for workers with low income in urban areas, workers of the enterprises that suffer a loss and that have been suspended, retired workers, and students of colleges, universities, and secondary specialized schools. We should actually resolve the problem with regard to the deferred wage payment to government employees and teachers and strive to issue their wages in a timely manner. We should strengthen the comprehensive management of social order, deal stern blows to criminal offenses, and maintain the normal order of society. We should earnestly handle the petitions of the masses to resolve core problems. We should further improve administrative honesty and firmly and unswervingly struggle against corruption.

Ye Liansong pointed out: To correctly handle relations between reform, development, and stability, and to accomplishing all the targets and tasks of this year, the

key lies in implementing all work measures. Leaders at all levels should truly enhance the sense of urgency and the sense of responsibility in accomplishing all the tasks of this year; should truly extricate themselves from the piles of documents and the loads of meetings and social exchanges; should strengthen overall planning and coordination to organize the forces in all fields and give rise to a joint strength; and should be strict and impartial in conducting assessment and in meting out rewards and punishments.

The meeting also demanded: We should make proper preparations in ideology, organization, and documents to make the fifth party congress a success. First, all localities and all departments should earnestly elect good delegates. Second, the vast numbers of party members and the masses should be mobilized to greet the convocation of the fifth party congress with the practical action of implementing all tasks. Third, party organizations at all levels should strengthen and improve party leadership and greet the party congress by creating fresh experiences in party building under the new circumstances and conditions. Fourth, all departments concerned should pay attention to drawing up the Ninth Five-Year Plan and the ninth five-year plan on building spiritual civilization.

Attending the meeting were some standing committee members of the provincial party committee and vice governors of the province. The provincial people's congress standing committee and the provincial committee of the Chinese People's Political Consultative Conference, respectively, sent a responsible comrade to this meeting. Also attending were principal responsible comrades of some departments and bureaus directly under the provincial authorities.

**Hebei Conference on Work of Town Enterprises**  
*SK1908084095 Shijiazhuang HEBEI RIBAO  
in Chinese 28 Jul 95 p 1*

[By reporter Zhao Jujiang (6392 5112 3068)]

[FBIS Translated Text] On the morning of 27 July, the provincial work conference on opening to the outside world especially studied the work of town and township enterprises. At the conference, the responsible persons of several cities, including Shijiazhuang and Hejian, introduced the situation in the development of town and township enterprises in the first half of the year. Cheng Weigao, secretary of the provincial party committee; Ye Liansong, governor of the provincial government; and Chen Liyou, executive vice governor of the provincial government, made speeches. Vice Governor Cong Fukui chaired the conference.

Cheng Weigao pointed out: Viewing the current economic environment and the current economic situation, we know that our province is now entering one of the best periods of developing town and township enterprises. Viewing the situation of opening the province to both domestic places and foreign countries in the past few years, we know that a considerably large number of cities and counties have greatly upgraded their awareness of using loans from external forces to develop towns and township enterprises. Changing ideas and widening the way of thinking becomes a key condition for developing town and township enterprises. Viewing the situation of developing town and township enterprises, we know that the broad masses of the cadres and the people in the rural areas have gradually deepened their understanding about the advantages of natural resources, and the town and township enterprises have been well developed by developing and using the local natural resources. Viewing the agricultural situation, we know that the province reaped bumper agricultural harvests for years running, the peasants' income rose rapidly, the rural areas' savings deposits rose by a big margin, and the financial potential for developing town and township enterprises has further been expanded. Besides, along with the deep progress of the work of making the rural areas become comparatively well-off, town and township enterprises have generally upgraded their enthusiasm. Simultaneously, thanks to the implementation of the state macroeconomic regulation and control policies, the economic situation has further stabilized and the investment environment has become more optimized. All this has provided favorable conditions for developing town and township enterprises.

In regard to the problems due to the uneven development of town and township enterprises, Cheng Weigao prominently stressed the need to pay attention to several problems in the course of developing town and township enterprises. First, the areas that are weak and backward in developing town and township enterprises should strengthen leadership, accelerate the pace of development, and adopt more resolute measures for developing town and township enterprises. We should be good at using local natural resources to develop the commodities of excellent quality and reasonable prices in order to satisfy the vast rural markets' demands. Second, town and township enterprises should do a good job in opening to the outside world and use the capital and technologies offered by Beijing, Tianjin, and the southern coastal areas to develop themselves. Third, we should pay equal attention to development and improvement. Town and township enterprises should apply science and technology to appropriately expand their scale and develop famous-brand and quality products, upgrade their overall efficiency, and make themselves

more widely known in the whole country. Fourth, we should pay attention to the development of collective enterprises at or above the township and village levels. Fifth, we should be good at extensively assimilating the rural areas' idle funds by reforming the financial system and building shareholding enterprises. Sixth, we should create a better environment and support the cultivation of a group of entrepreneur contingents with foresight, boldness, and management ability.

In his speech, Ye Liansong fully affirmed the important role that town and township enterprises play in developing the province's economy. He said: The development of town and township enterprises is not only the only way for the peasants to extricate themselves from poverty and seek wealth, but also is an important way for readjusting the rural industrial structure, developing the rural productive forces, transferring surplus laborers, and accelerating the pace of industrializing agriculture and urbanizing the rural areas. Simultaneously, it is also the major source of increasing the revenues of counties and townships. In the course of developing town and township enterprises, all localities should pay attention to both development and improvement and persist in the principle that "development is an essential criterion," pay prominent attention to readjusting structures, and exert great efforts to develop scale economy and upgrade scale merit. Meanwhile, by expanding the dynamics of opening to both domestic places and foreign countries, we should bring in capital, technology, and advanced managerial experience as more as possible.

In his speech, Chen Liyou first analyzed the basic trend of developing town and township enterprises in the first half of the year. He said: General speaking, the trend of developing town and township enterprises in the first half of the year was good. In the January-June period, the output value realized by the town and township enterprises of the province reached 152.86 billion yuan, an increase of 37.6 percent. Of this, the industrial output value came to 110.62 billion yuan, an increase of 37.4 percent; the business income, 138.01 billion yuan, an increase of 29.7 percent; the profits, 14.19 billion yuan; the taxes handed over the higher level, 1.957 billion yuan, an increase of 28.4 percent; and the value of goods delivered for exports reached 4.86 billion yuan, an increase of 56.8 percent. However, we still lag behind the advanced provinces and municipalities. Specific indicators are: The enterprises of appropriate scale and the enterprise groups are developing slowly. There are only a few high-tech enterprises, famous-brand enterprises, and export-oriented enterprises.

In line with the development situation in the first half of the year and the existing problems, Chen Liyou stressed: All localities should clearly understand

the situation, further expand the dynamics of work, intensify development measures, and promote faster and better development of the province's town and township enterprises. Specifically speaking, we should accelerate the pace of development in five aspects and strengthen the work in one aspect. That is accelerate the pace of opening to both domestic places and foreign countries, the pace of developing scale economy and enterprise groups, developing the county economy, the pace of industrializing town and township enterprises and readjusting and optimizing the product mix, and the pace of reforming on a trial basis the property right system of town and township enterprises; and realistically strengthen the leadership over the work of town and township enterprises.

#### **Inner Mongolia Chairman Views Forestry Work**

*SK2308091595 Hohhot NEIMENGGU RIBAO  
in Chinese 21 Jul 95 pp 1, 4*

[FBIS Translated Text] "At present, the entire region from higher to lower levels should conscientiously implement the guidelines of the National Scientific and Technological Congress, should further emancipate the mind; relax restrictions on policies; perfect mechanisms; and positively mobilize and fully exploit the wisdom and intelligence of scientific and technological personnel to make new and even greater contributions to the reform, opening up, and economic construction of the region." These remarks were made by Wu Liji, deputy secretary of the regional party committee and chairman of the region, in his investigation and study.

On 17 July, together with responsible comrades of the General Office and Forestry Department of the regional government, Chairman Wu Liji went to the Inner Mongolia Forestry Science Research Institute and the Economic Research Center under the Inner Mongolia Social Science Research Institute to conduct an investigation and study. On behalf of the regional party committee and regional government, Wu Liji first extended sincere solicitude to scientific research workers of the Forestry Science Research Institute and of the Economic Research Center. He took this opportunity to express greetings to the vast numbers of scientific and technological workers on all fronts in the region, and to sincerely thank them for their tremendous contributions to promoting the region's economic and social development. Wu Liji stated: All achievements and progress in the region's economic and social development embody the arduous labor of scientific and technological personnel and embody the important role of science and technology as the first productive forces. The present age is one in which science and technology changes with each passing day; the present world

is characterized by sharp scientific and technological competition. Intelligence creates value, and wisdom is wealth. Five years later, we will stride into the 21st century. What kind of status, what kind of outlook, and what kind of image Inner Mongolia will stride with into the 21st century depends to a large extent on the exploitation of the intelligence and wisdom of the numerous natural and social science research workers, on the progress of science and technology, and on the contributions made by scientific and technological progress to economic development. Hence, the tasks facing the vast numbers of scientific and technological workers are extremely arduous, and the duties they shoulder are very heavy. They must enhance the sense of urgency and sense of responsibility; set high aims and great ideals; work hard to make innovations; strengthen the combination of science and technology with the economy; and make great efforts to create a new situation in scientific and technological work.

At the Inner Mongolia Forestry Science Research Institute, Wu Liji inspected the tree garden and greenhouse nursery; listened to the work report made by leaders of the institute; inquired about wage payments and living conditions for the workers; and held talks with scientific and technological workers. Wu Liji added: In Inner Mongolia, forestry is not only a basic industry but also a pillar industry, constituting a major component of the national economy. Forestry is the main body of the region's land ecological system and the green defense for developing agriculture, animal husbandry, and water conservancy undertakings. Forestry is a special industry characterized by the combination of ecological, social, and economic efficiency. Developing forestry not only provides timber and forest and sidelines products for society, but also play an irreplaceable role in regulating weather, preventing pollution, cultivating water sources, conserving water and soil, breaking winds and fixing sands, and protecting agricultural and animal husbandry production. Developed forestry is a major indicator of the prosperity of the country, the flourish of nationalities, and the progress of society. There are 540 million mu of deserts and sandy areas, as well as the Gobi Desert, in the region, accounting for almost one third of the region's territory. Therefore, the tasks on planting trees, building forests, preventing the land from becoming sandy, and maintaining the ecological balance are extremely arduous. The Forestry Science Research Institute is an important scientific research base to prevent desertification and seal up mountains for afforestation. The vast numbers of forestry science research workers are pioneers marching toward deserts, barren hills, and waste beaches. Party committees and governments at all levels must show concern and give support for such workers in the fields of organizational

specifications, personnel establishment, title appraisal, scientific research allocation, and working and living conditions. Forestry requires long growth periods because it yields results slowly; its economic results are low and its social and ecological results high. Thus, all departments concerned should give special treatment to the Forestry Science Research Institute in allocating funds. Governments at all levels must support and protect the experimentation bases established by the Forestry Science Research Institute in banners, counties, townships, towns, and sumus by not only positively supporting them to control deserts and seal up mountains for afforestation, but also to protect their labor achievements and economic benefits. Because the market economy stresses the legal system, the vast number of scientific research workers, working under the new situation, should strengthen their knowledge of laws and learn to apply laws to protect their scientific research achievements. When establishing experimentation bases in the future, the scientific research institute and local government must make clear their rights, duties, and responsibilities, then fix these rights, duties, and responsibilities in the form of laws.

Chairman Wu Liji fully affirmed the six basic projects for mountains, deserts, and grasslands adopted by the Inner Mongolia Forestry Science Research Institute since the early 1980's as concerns the key joint-research projects of the state and region. These six projects are: research in building the shelter-forest system similar to the Horqin sand area ecological economic type in sand areas, grasslands, mountain areas, and plains; research in developing and controlling plain sand areas; experimentation in building shelter-forests in pastoral areas; planting high-yield forests in Wulanbu and in sand areas; experimentation with forests devoted to cultivating water sources in the Daqing Shan Baishitou Village; and the planting of tree gardens in Hohhot. Wu Liji pointed out: Economic construction must depend on science and technology, and scientific and technological work must be oriented to economic construction. This is the basic principle for our scientific and technological work. Integrating forestry science research work with the region's economic construction and its efforts to increase grain output, develop animal husbandry and increase the income of peasants and herdsmen is a major development orientation for our forestry science research work at present as well as in the future. In line with the general demand of "stabilizing basic research and decontrolling scientific and technological development organizations, social public welfare-oriented scientific research institutes, and scientific and technological service agencies," we should encourage the vast numbers of scientific research workers to walk out of scientific research institutes and go deep into the main battlefield of

economic construction in order to conduct scientific research projects based on economic construction; to conduct joint-research projects for serving economic construction; and to strive for survival and progress while conducting exploitations and improving services. At the same time, under the prerequisite of ensuring the fulfillment of all scientific research tasks, scientific research institutes should positively explore and develop the path of combining themselves with the economy in diverse forms and through diverse channels in an effort to promote technological service, technological contracting, and the commercialization and industrialization of scientific and technological research achievements as well as to continuously develop and expand themselves with their own income. Wu Liji emphatically pointed out: Our region has a vast expanse of deserts which are extensively dispersed. This is one of the major factors preventing the region from strengthening the basic position of agriculture and animal husbandry. However, in these deserts lies our potential and hopes for accelerating the region's construction and for developing the sand industrial economy. There are bright prospects for the sand industry, and much can be accomplished in this aspect. To turn disadvantageous factors into advantageous factors, the key lies in the vast number of scientific and technological workers. For instance, experimentation in growing paddy rice in Naiman Banner's desert has expanded from less than 10 mu last year to more than 1,200 mu this year, thus greatly inspiring the initiative of scientific and technological workers as well as peasants. Among scientific and technological workers, there is wisdom, ideas, ways, value, and wealth.

That afternoon, Chairman Wu Liji had a talk with leaders of the Inner Mongolia Social Science Institute and researchers of the Economic Research Center. Wu Liji pointed out: At the National Scientific and Technological Congress, Comrade Jiang Zemin mentioned that one of the five major issues that should be grasped in accelerating scientific and technological progress is the combination of natural science with social science. The vast numbers of ~~social~~<sup>scientific</sup> workers in the region also made great contributions to the construction and development of the region in the past. Under the new current situation, social science institutes and social scientific workers also face questions of how to further orient themselves to the main battlefield of economic construction and how to further serve economic construction. Particularly, some research organs, like the Economic Research Center of the Inner Mongolia Social Science Institute, should play an even greater role in combining social science research with the economy and in offering advise and making plans for the regional party committee and government. On the one hand, departments concerned should create conditions for social

science institutes; on the other hand, social science institutes should strengthen the study of applied science so that suggestions and measures raised by these institutes will be operational.

Enterprises constitute the mainstay of the market economy. Economic research institutes may fully use the economic knowledge familiar to them to learn about advantages in economic operations and to provide consultation and information for enterprises to enter domestic and world markets. Knowing that most workers of the Economic Research Institute are young, and that many research achievements by this institute have obtained national and regional prizes, Chairman Wu Liji happily stated: Young people are brisk in thinking, full of vigor, and can accept new knowledge quickly. So, you, young people, should value your time and strive to acquire more knowledge, including different theories and schools of thought at home and abroad; should compare them; and should make advantageous theories serve ourselves. Now is precisely the time to accelerate the region's reform, opening up, economic construction, and establishment of a socialist market economic system. It is also a good opportunity for the region's social scientific workers to fully display their skills and score great achievements. You, social scientific workers, should cherish and make good use of this opportunity to conduct thorough investigations and studies of the problems related to the overall situation in the region's economic and social development, such as financial problems and the problem of the increasing income of peasants and herdsmen. Feasible plans and measures should be provided to resolve these problems. The regional party committee and government place great expectations on the vast number of social science workers in the region. In addition, Chairman Wu Liji discussed with the institute's specialists and scholars the issue of drawing up the region's Ninth Five-Year Plan and the 10-Year Plan as well as issues that should attract our attention in economic and social development in the future.

At the Forestry Scientific Research Institute and the Economic Research Institute, Chairman Wu Liji stressed: The region is preparing to hold the regional scientific and technological congress. This is a grand occasion for the region's scientific and technological circles as well as a major event for all localities, departments, and scientific research institutes. We hope all scientific research institutes and all scientific research workers will draw up their own development plans in line with the general demand of the regional party committee and regional government, and will actively explore and study the major problems existing in the region's scientific and technological work as well

as the ideas on the next step of development in order to make even greater contributions to comprehensively implementing the guidelines of the national scientific and technological congress and to make the region prosperous and strong.

**Scientific Enterprises Boom in Tianjin**

*OW2208091395 Beijing XINHUA in English  
0754 GMT 22 Aug 95*

[FBIS Transcribed Text] Tianjin, August 22 (XINHUA) — The number of nongovernment-run scientific and technological enterprises has ballooned to over 3,100 in this north China port city since the late 1980s.

The enterprises, employing more than 70,000 people, earned a combined income of five billion yuan in 1994, and have emerged as one of the most dynamic parts of the city economy.

Statistics show that some 600 of these enterprises earned over five million yuan each last year.

Over the years the enterprises have achieved 12,000 research and scientific study findings, with more than 90 percent having already been transformed into productive forces.

Along with the booming of nongovernmental scientific and technological enterprises there has sprung up a team of pioneering entrepreneurs, quite a number of whom have become pace-setters in their respective research fields.

For example, Zhang Jingmin started up the Puchen Electronic Engineering Co. Ltd with 100,000 yuan six

years ago. Now the company has fixed assets valued at 15 million yuan and an annual sales volume of over 25 million yuan.

To encourage the enterprises to contribute even more to the municipal economy, the city government is drafting favorable policies for them, an official said.

It is also setting up service centers reserved for such enterprises, the official added.

**Tianjin Petrochemical Center Boosts Business**

*OW2208092095 Beijing XINHUA in English  
0759 GMT 22 Aug 95*

[FBIS Transcribed Text] Beijing, August 22 (XINHUA) — The Tianjin Petrochemical Products Trade Center did a total business volume of 783 million yuan in the first half of this year, surpassing the figure for the whole of last year.

According to a recent edition of "China Chemical Industrial News", the center has changed its major sales items from light oil products to chemical industrial products, chemical fibres, and lubricant oil products.

During the January-June period, the center handled 117,300 tons of business in various petrochemical products.

Statistics show that 14.3 percent of the total business volume came from sales of lubricant oil.

**Li Reproached for Challenging 'One-China' Policy**  
*OW2208121495 Beijing XINHUA Domestic Service  
 in Chinese 0925 GMT 22 Aug 95*

[By unidentified XINHUA commentator: "Li Denghui Stubbornly Challenges the 'One-China' Principle"]

[FBIS Translated Text] Beijing, 22 Aug (XINHUA) — A host of facts show that Li Denghui [Li Teng-hui] is still attempting to gain admission into the United Nations, and his activities aimed at creating "two China's" or "one China, one Taiwan" in the international community continue to grow unabated. On the 50th anniversary of the signing of the United Nation Charter at the end of June, he took the initiative in sending a "congratulatory message," and once again preached the fallacy that Taiwan should "join the United Nations as a sovereign state" and that "the two sides of the Taiwan Strait should join the United Nations on an equal footing."

In his recent report to the "National Assembly," he continued to assert the need for Taiwan to move out [of isolation] "step by step" and "secure greater living space in the international community." As recently as yesterday, he was still claiming that "now is the best time for Taiwan to accede to the United Nations," and that it is necessary to "promote the Republic of China" in the international community. Lian Zhan [Lien Chan], Taiwan's "Executive Yuan president" [premier], also asserted that Taiwan will "continue to pursue the policy of 'returning to the United Nations' and seek the support of foreign countries."

In sum, Li Denghui is still stubbornly challenging the "one-China" principle.

The United Nations Charter explicitly states that the United Nations is an intergovernmental international organization composed of sovereign states. It is only natural that Taiwan cannot join the United Nations because it is an inalienable part of China and is not an independent sovereign state. Whether to uphold the principle of "one China" or that of "two China's" or "one China, one Taiwan" is a matter of principle. UN Secretary General Butrus-Ghali has noted on several occasions that Taiwan has no right to join the United Nations. At a function commemorating the United Nations Charter in June, he again stated: "The United Nations has passed a resolution to the effect that Taiwan, as an inalienable part of the PRC, cannot become a UN member." It is common knowledge that two years ago, Taiwan attempted to join the United Nations as a "sovereign state" by using "cash inducements" to influence a few countries into submitting an application with the UN General Assembly for its "accession to

the United Nations," as well as the so-called "motion on parallel representation" for itself. The UN General Committee voted down both bills, and the sessions in question did not enter the bills in their agendas. This demonstrates that most UN members firmly safeguarded the spirit of the "United Nations Charter," as well as UN Resolutions 27 and 58 on restoring China's legitimate seat in the United Nations, thus upholding the just stand of "one China."

Li Denghui's so-called "parallel participation in the United Nations by the two sides of the Taiwan Strait," and his quest for the status of a "sovereign state" in the international community are a naked attempt to create "one China, one Taiwan." They are also a serious challenge to the authority of the relevant UN resolutions. According to universally acknowledged norms of international law, a country has only complete sovereignty, which cannot be divided nor shared. Both the "Cairo Declaration" of 1943 and the "Potsdam Proclamation" of 1945 explicitly proclaimed the return of Taiwan to China from Japanese rule after World War II. The PRC is a country with sovereign and territorial integrity, and its government is the sole legitimate representative of China's national sovereignty.

Although the two sides of the Taiwan Strait have been in a temporary state of separation since 1949, Taiwan's status as part of the PRC's territory has never changed, and the PRC has never relinquished administrative jurisdiction over Taiwan. For now and in the future, the Chinese Government will steadfastly uphold the "one-China" principle; firmly oppose the effort to foster "two China's," "one China, one Taiwan," or "Taiwan independence"; and firmly deal a blow to an attempt made by the Taiwan authorities under Li Denghui's stewardship in connection with so-called "return to the United Nations."

Activities in connection with Taiwan's "return to the United Nations" that Li Denghui plotted with the aim of splitting the motherland have damaged the development of cross-strait relations and hindered the process of reunifying the motherland by peaceful means. Not only do these go against the fundamental interests of all Chinese people, including Taiwan compatriots, but they also do not help world peace and stability. Naturally, these activities ran into opposition from most UN members and UN organizations. The bill on Taiwan's "representation" — tabled for discussion in the United Nations with great clamor two years ago by a few countries under Taiwan's instigation — met with crushing defeat. This year, Taiwan has instigated, one way or another, a few countries to clamor for its "return to the United Nations"; these are doomed to failure. We firmly believe that we will continue to gain the

understanding and support of all governments, peoples, and UN organizations regarding the just cause of safeguarding national sovereignty, territorial integrity, and the motherland's unity. Any plot to split China will not succeed.

**Article Refutes 'Blockade' Charge**

*HK2308080095 Beijing LIAOWANG in Chinese  
14 Aug 95 No 33, p 17*

[Article by Wang Yu: "Where Do 'Blockage and Elimination' Come From?—Concurrently Talking About Issue of 'International Living Space' Raised by Taiwan Authorities"]

[FBIS Translated Text] The word "blockade" was first mentioned by the Taiwan authorities represented by Li Denghui [Li Teng-hui].

In recent years Li Denghui et al have been going here and there practicing so-called "pragmatic diplomacy", attempting to create "two Chinas" or "one China, one Taiwan" on the international scene. Naturally, their plot has been condemned and stopped by the government of the motherland. In response to being strongly condemned, they vilified the Chinese Government's stand of defending the principle of one China as a "blockade" on Taiwan's "international living space."

What is "blockade"? How come there is a "blockade?"

Taiwan has been China's sacred territory since ancient times, and our compatriots in Taiwan are part of the big family of the Chinese race. Although Taiwan had once been occupied by Japan, the "Cairo Declaration" and "Potsdam Proclamation" published on the eve of the end of the Second World War both clearly stated that Taiwan would be returned to China. Since 1949, for reasons known to everyone, the two sides of the Taiwan Strait have temporarily been in a state of separation; however, the status of Taiwan as part of the territory of the People's Republic of China has never changed, nor has the government of the People's Republic of China ever relinquished its administrative power over the province of Taiwan. At present the vast majority of countries in the world recognize that there is only one China and that the People's Republic of China is the only legitimate government representing the whole of China. Chinese people on both sides of the Strait have always believed that the Taiwan question is China's internal affair.

What about Taiwan's "international living space"? Is it true that it cannot survive as people such as Li Denghui said?

Way back at the time of the Cold War, our government already recognized the need of the Taiwan people for

external contacts and adopted the position that as long as Taiwan is only joining non-governmental economic and cultural organizations, and could solve the problem of one China satisfactorily, then the Chinese Government will have no objection to it. In 1984, when comrade Deng Xiaoping met Chinese scholars from America, he pointed out that Taiwan could remain in the Asian Development Bank under the name "China Taipei." In 1986, the Chinese Olympic Committee, after consulting the International Olympic Committee, agreed to let Taiwan stay in the International Olympic Committee under the name "Chinese Taipei," and so solved the problems of the flag, anthem, and emblem for the Taipei Olympic Committee. So athletes from both sides of the Strait took part in the Los Angeles Olympic Games together, which was hailed by our compatriots at home and abroad as a "great occasion for the Chinese race." The "ADB model" and "Olympic model" satisfactorily solved the problem of Taiwan participating in non-governmental international activities. Under these models, Taiwan has joined a dozen or so regional economic organizations such as the Asia-Pacific Economic Cooperation organization, and 700 or so international academic organizations of a non-governmental nature, while the mainland as the mother country has only joined about 400 of these. Apart from this, of the 160 countries which have diplomatic relations with us, Taiwan has offices in a fair number of them.

From this one can see that Taiwan people have a very wide space for their economic and cultural activities, and the Taiwan authorities' claim of the motherland's government "blockading" Taiwan's "international living space" is really unfounded.

On the eve of the Lunar New Year, Jiang Zemin, general secretary of the CPC Central Committee and state president, made a speech in which he asked organizations based abroad to remember that our Taiwan compatriots are our brothers and to increase their contacts with them. He called on these organizations to listen to the views and requests of our Taiwan compatriots, take note of matters which involve their interests, and help to defend them, help them to solve their difficulties as much as possible, and provide protection and assistance for them to carry out economic and cultural activities in other countries.

Li Denghui has not devoted a single word to the CPC's and Chinese Government's sincere efforts to help, but has instead put on the appearance of a sufferer having a lot of grievances, complaining everywhere that Taiwan's international living space is being "blockaded." So, what is the "international living space" he wants? Plainly speaking, it is to let Taiwan join international organizations under the name "Republic of China" and

become a "sovereign country," so as to create obstacles for and delay indefinitely the country's peaceful reunification. In this way he can preserve the "little court" he has established in Taiwan. And it is exactly because Li is driven by his personal ambition and benefit that, as long as he can show to the international community the "fact" of the "Republic of China in Taiwan" and the "pain" of being isolated from the international community, he is willing to pay any price, accept any title, ignore the great cause of the Chinese race and national dignity, and even adopt the subservient attitude despised by our people of "using Westerners to prop oneself up. In June this year, in a short speech of about 4,000 words which Li Denghui made use of the Olin Lecture to deliver during his visit to the United States, the title the "Republic of China" was mentioned 17 times.

And it was exactly this kind of personal ambition which drove the Taiwan authorities to publish an advertisement in the American newspaper "The New York Times" way back in 1993, in which they openly indicated that they accept "double recognition"; and it was from that time onward that the Taiwan authorities started to spend a vast sum of the Taiwan people's hard-earned money to bribe certain countries every year, directing them to raise the question of Taiwan's so-called "representation right" at the United Nations, and announcing that they would "knock on the door" of the UN with \$1 billion. The purpose of this act of seriously trampling on the "UN Charter" and UN Resolution No. 2758 is to carry out the "one country, two seats" plot at the United Nations. This is clearly directly opposite to the aim of one China, and will of course be firmly opposed and boycotted by the government of the motherland and by Chinese people at home and abroad.

However, Li Denghui is not willing to stop there. On the one hand, he has been complaining everywhere that

Taiwan's international living space is being "blockaded" in order to deceive the international community and Taiwan people into having sympathy for him and giving him support; on the other hand, he has joined with some Western figures who want to split China and ridiculously put forward the "theory of subjective concepts in traditional international law being out of date," demanding that new subjective concepts should be used to settle the Taiwan question. Little do they know that the current principles of international law were drawn up by the people of the world after they underwent the trials of the two World Wars, that they were molded in blood and fire and are related to the major issue of preserving world peace today. People will not change the established principles of international law just because somebody wants to fulfill his desire of becoming "president." The successive decisions by the General Affairs Committee of the 48th and 49th UN General Assembly of not putting the so-called "Taiwan representation right" question on the UN General Assembly agenda reflect the firm stand of the vast majority of countries in the world to preserve the principles of international law. In the end, Li Denghui will only become a figure condemned by history as somebody who tried to split the motherland.

Having one China is a matter of principle; on matters of principle there can be no discussion. Under the principle of one China, any problem between the two sides of the Strait can be solved through consultations, and the international space obtained by our Taiwan compatriots through this will be unlimited. However, if this principle is abandoned and the "two Chinas" or "one China, one Taiwan" trick is pursued, then it is not the CPC "blockading" the "international living space" of Taiwan, but the Taiwan authorities "blockading" themselves and so taking the Taiwan people into dire straits.

23 August 1995

**Li Reaffirms KMT's Commitment to Unification***OW2208112395 Taipei CNA in English**0917 GMT 22 Aug 95*

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, Aug. 22 (CNA) — President Li Teng-hui, in his capacity as Kuomintang [KMT] chairman, Tuesday reaffirmed the ruling party's commitment to promoting China's peaceful reunification under a system of freedom, democracy and equitable distribution of wealth.

Addressing the opening ceremony of the second plenary session of the KMT's 14th National Congress at the Taipei International Convention Center, Li said now is a good time for the two sides of the Taiwan Strait to work together to create a climate conducive to China's eventual reunification.

During the past few years, Li said, the two sides have managed to reduce "misunderstanding and confrontation" and have gradually developed a mutually beneficial relationship through increased exchanges and consultations.

"I sincerely hope the two sides will further foster goodwill and help each other lay a solid foundation for China's eventual peaceful reunification," Li said.

Noting that China has been divided into two parts and ruled by two separate governments, Li urged Beijing to face this reality and the ROC's [Republic of China] continued existence in Taiwan, Penghu, Kinmen and Matsu.

In light of promoting common welfare for all Chinese, Li said Beijing should immediately stop all inappropriate actions that hurt the feelings of the 21 million people on Taiwan.

"I hope the two sides will reach a consensus and develop a mechanism for peaceful consultations to maintain peace and security in the Taiwan Strait and to work out acceptable terms of unification to create a bright future for all Chinese," Li added.

At the same time, Li stressed that before China's reunification, the ROC is entitled to have its own place in the international community.

Li said the ROC government will continue to promote pragmatic diplomacy to secure a decent place in the world arena for all the 21 million Chinese living in Taiwan, Penghu, Kinmen and Matsu.

"We believe our pragmatic diplomatic policy is not only fully justified and will not hurt either side of the Taiwan Strait," Li said, adding the ROC government will never hesitate to promote pragmatic diplomacy in spite of

outside pressure and will consistently implement the policy in an orderly, realistic manner.

On domestic affairs, Li reaffirmed the party's determination to continue promoting peaceful democratic reforms. "Although we have encountered many difficulties and a backlash from reactionary forces, we'll never be daunted by irrational boycotts and will never compromise with outdated ideas," he stressed.

Li expressed his firm belief that the people will give the KMT an evaluation it deserves as long as the party continues to carry out democratic reforms. "We'll always reach out to the people and rely on the people," he pledged.

Under the KMT's leadership, Li said, Taiwan has completed a series of democratic reforms in the past few years, allowing all of its people to freely express their desires and opinions. "We have realized our national founding father Dr. Sun Yat-sen's ideal of putting sovereign power in the hands of the people," he noted, adding Taiwan's achievements in this regard will certainly have a "lighthouse" effect on the mainland.

Given Taiwan's past achievements, Li said he believes his ideal of "developing a great Taiwan and building a New China" is not an empty slogan and will become a guideline for action.

Noting that the KMT is stepping up preparations for the year-end Legislative Yuan elections and for next March's presidential and National Assembly elections, Li said the results of the three elections will have a crucial impact on whether the KMT can continue to lead the country to complete its historical mission.

"I hope all congress delegates will take advantage of this meeting to pool their wisdom to work out feasible and effective strategies to help our party win in the three critical elections," Li urged.

In Taiwan's increasingly open and pluralistic society, Li said he hopes all KMT members can stand united to take on new challenges ahead. "With unity, I believe our party will be able to weather all difficulties and realize its goal of developing a great Taiwan as a strong bastion for China's future reunification."

**Li Says Government Stands Firm on Reunification***OW2308040495 Taipei CNA in English**0338 GMT 23 Aug 95*

[By Flor Wang]

[FBIS Transcribed Text] Taipei, Aug 22 (CNA) — President Li Teng-hui on Tuesday reiterated the government's firm stance on China reunification under the principles of democracy, freedom and equitable prosperity.

Li made the remarks during a meeting with U.S. senators Arlen Specter and Hank Brown and their wives.

In addition to giving thanks for their visit to the Republic of China [ROC], Li also expressed appreciation for their assistance in helping him realize his landmark trip to the United States in June.

Both Specter and Brown are strong backers of the ROC, and have made great contributions in promoting the ROC's bid to join the international community, and in boosting cooperative ties between the two countries.

Also present at the meeting were National Security Council Secretary-General Ting Mao-shih, Vice Foreign Affairs Minister S. F. Chen, and B. Lyn Pascoe, director-general of the Taipei office of the American Institute in Taiwan.

#### **Li Declares Candidacy for Another Term**

*OW2308060395 Tokyo KYODO in English  
0524 GMT 23 Aug 95*

[FBIS Transcribed Text] Taipei, Aug. 23 KYODO — President Li Teng-hui declared his candidacy Wednesday for the island's first direct presidential election scheduled for next spring.

The announcement was made shortly after Li's nationalist party concluded a two-day congress, deciding that party representatives who attended the convention will pick a presidential candidate.

Li took office in January 1988 and reassumed the post in March 1990 for a six-year term.

#### **More on Announcement**

*OW2308074295 Tokyo KYODO in English  
0708 GMT 23 Aug 95*

[FBIS Transcribed Text] Taipei, Aug. 23 KYODO — President Li Teng-hui said Wednesday he will run in Taiwan's first direct presidential election scheduled for next spring in a bid to serve another term, this time four years.

The announcement by Li, who took office in January 1988 and reassumed the post in March 1990 for a six-year term, was made shortly after the conclusion of his Nationalist Party's two-day congress.

Taiwan revised its constitution in July 1994 to employ a direct presidential election system, compared with the previous indirect presidential polls at the national assembly. The revision will also shorten the presidential term from six years to four years.

The congress decided to pick a Nationalist Party candidate for the presidential race by party representatives who attended the convention.

The party's vice chairman, Hau Pei-tsung, said he does not support Li, a wire service report said.

Lin Yang-gang, also a vice chairman of the Nationalist Party, said he will run in the election outside the party after collecting citizens' signatures.

Lin said he will not compete with Li to win party nomination as a presidential candidate, according to the report. He has expressed intention to run in the presidential race, advocating the party's presidential candidate should be picked through election.

Chen Li-an, head of the Control Yuan, a body for impeachment, censure and audit of Taiwanese authorities, has left the Nationalist Party and said he will challenge the presidency.

Li is thought to have a good chance to win the election, but relations between China and Taiwan may further worsen should he be reelected, with Beijing blaming Li for seeking independence of the island from Mainland China.

Li told the congress Tuesday that Taiwan will continue diplomatic activities despite any pressure.

Relations between Beijing and Taipei have become more strained since Li went to the United States in June on what was called a "private" basis to visit his alma mater after Washington allowed the visit despite protests from China.

Beijing has criticized all manifestations of an independent diplomacy, including visits by Taiwanese officials abroad, repeatedly emphasizing that the island is a renegade province of China.

#### **Taiwan Deploys Missiles To Counter Tests**

*OW1908100195 Tokyo KYODO in English  
0920 GMT 19 Aug 95*

[FBIS Transcribed Text] Kaohsiung, Taiwan, Aug. 19 KYODO — Taiwan's military has deployed short-range Hsiung Feng antiship missiles on the island of Tung-yin off China's Fujian province in response to continued Chinese military exercises and missile tests near Taiwan, a Taiwan daily reported Saturday.

The 170-kilometer range missiles are able to reach the Chinese mainland.

Quoting military sources, the CHINA TIMES [CHUNG-KUO SHIH-PAO] said the missiles were originally supposed to be deployed on the island of Peng-chia, some 50 kilometers off the northern tip of Taiwan, but this would have brought the Senkaku Islands into their range, possibly triggering protests from Japan.

The Senkaku islands, called Tiaoyutai islands in Taiwan, are located between Taiwan and Japan's southernmost island of Okinawa. Although the United States returned the Senkaku islands to Japan in 1971 with the reversion of Okinawa, Taiwan and China are claiming sovereignty over the group of islands.

The paper gave no details as to when the missiles were deployed.

China is currently conducting guided missile and other military tests about 130 kilometers north of Taiwan. The tests are due to last until Aug. 25, and follow a previous series of tests in July.

Another Taiwan daily, the UNITED DAILY NEWS [LIEN-HO PAO], reported in its Hong Kong edition Saturday that Beijing plans to conduct more missile testing in the South China Sea after completing the current series.

**Ministry Denies Mainland Fighters Over Matsu**  
*OW2308080495 Taipei CHUNG-KUO SHIH-PAO  
in Chinese 20 Aug 95 p 1*

[FBIS Translated Text] It was said recently in the Matsu area that Chinese Communist fighters were seen flying at a low altitude above Matsu on the evening of 17 August. Officers and soldiers throughout the island got into position to defend the airspace and aimed air defense artillery at the targets. The state of alert was not over until 0200 hours on 18 August. However, the Ministry of National Defense formally denied the rumor on 19 August.

**Delegate Denied Visa for UN Women's Conference**  
*OW2208135395 Taipei CNA in English  
0939 GMT 22 Aug 95*

[By Y.C. Tsai]

[FBIS Transcribed Text] Taipei, Aug. 22 (CNA) — Legislator Annette Lu of the opposition Democratic Progressive Party (DPP) said Tuesday that Mainland China has confiscated her travel document to prevent her from attending the United Nations' Fourth World Conference on Women, which will open Sept. 4 in Huairou, a resort town near Beijing.

Lu, who is concurrently president of the Taiwan International Alliance, pointed out that she applied for her visa at the Hong Kong office of the Beijing-based XIN-HUA NEWS AGENCY with her "Taiwan Compatriot Certificate," the only travel document issued by Beijing authorities to Taiwan citizens for travel to the mainland.

Subsequently, she said, her "Taiwan Compatriot Certificate" was confiscated by mainland officials, who

claimed that the certificate may or may not be returned after the 11-day women's conference.

The visa denial is in violation of the agreement between the United Nations and Mainland China that all participants should be issued visas to attend the meeting, she noted.

Lu said that she will write to the United Nations to lodge a protest.

Lu serves as a convener of the legislature's Foreign Affairs Committee and is regarded as the founder of Taiwan's feminist movement.

**MAC Chairman Urges Mainland To Face 'Reality'**

*OW2308032195 Taipei CNA in English  
0141 GMT 23 Aug 95*

[By Bear Lee]

[FBIS Transcribed Text] Taipei, Aug. 22 (CNA) — Mainland Affairs Council Chairman Hsiao Wan-chang on Tuesday urged Beijing to face the reality that China is now divided and under the rule of two governments.

"Only when both sides (Taiwan and the mainland) recognize this reality can a favorable environment be created to accelerate the unification of China," Hsiao said in his report entitled "the real resolution of the China problem" to the second plenary session of the Kuomintang's 14th national congress.

Hsiao pointed out that the ROC's [Republic of China] mainland policy has nothing to do with "two Chinas" or "one China, one Taiwan" because the government stands firmly against Taiwan's independence.

In the face of military threats from Mainland China, which were renewed in missile tests in the east China sea northwest of Taiwan recently, Hsiao said that the ROC should beef up its defense capability. This would maintain an adequate cross-strait military balance to effectively deter a potential Beijing military advance.

In the meantime, Hsiao added, the government will, on the condition that national security is ensured, continue to adopt an open-door policy toward the mainland, so as to ease tension in the strait and nurture harmonious relations.

Hsiao said that cross-strait civil exchanges are the most effective way to bring people on both sides to future integration. He added that existing cross-strait relations should focus on developing complementary and mutually beneficial trade and economic relations in order to benefit all Chinese people.

Hsiao, however, expressed regret over Beijing's unilateral suspension of cross-strait negotiations, including

the one originally scheduled for July in Beijing between the heads of two intermediary organizations, Koo Chen-fu of Taiwan's Straits Exchange Foundation (SEF) and Wang Daohan of the mainland's Association for Relations Across the Taiwan Strait (ARATS).

"It is our firm belief that strengthened consultations between both sides at many levels, including the systematization of the highest-level SEF-ARATS talks, are crucial to the development of positive ties across the strait," he said.

"For this reason, we are ready to reopen talks at any time to usher in 'an era of consultations' as called for by Premier Lien Chan," Hsiao added.

Hsiao stressed that it has always been the government's intention to maintain prosperity and stability in Hong Kong and Macao, as well as their democratic systems, after they revert to communist Chinese rule in 1997 and 1999, respectively.

He said that President Li Teng-hui's six-point statement on mainland relations, released April 8, takes into consideration both the goal of national unification and the reality of China's division. He said it shows the government's good will towards the mainland, and its sincerity in pursuing national unification policy.

President Li's proposals share some points in common, but also differ in others, with Mainland Chinese President Jiang Zemin's 8-point statement issued earlier this year, Hsiao said.

"We hope that both sides can in the near future, through existing channels of dialogue, seek greater consensus in order to develop more harmonious Taiwan-mainland relations," he said.

#### **Chien Fu Views 'Pragmatic Diplomacy'**

*OW2308025595 Taipei CNA in English  
0154 GMT 23 Aug 95*

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, Aug. 22 (CNA) — Taiwan's pragmatic diplomacy is not aimed at creating "two Chinas," "one China, one Taiwan," or "Taiwan independence," Foreign Affairs Minister Chien Fu said Tuesday.

Speaking at the second plenary session of the ruling Kuomintang's 14th national congress being held at the Taipei International Convention Center, Chien said pragmatic diplomacy is designed mainly to safeguard the ROC's [Republic of China] national security and the well-being of the 21 million people living in Taiwan, Penghu, Kinmen and Matsu.

"We have never intended to challenge Beijing by promoting pragmatic diplomacy," Chien stressed. "So we do not think such a policy should lead to strained relations across the Taiwan Strait."

Noting that pragmatic diplomacy is needed to sustain Taiwan's development, Chien said the ROC Government is committed to placing equal emphasis on promoting foreign relations and cross-strait relations.

"Although we don't want to see cross-strait relations disrupted by our pragmatic diplomatic policy, we cannot give up our efforts to expand our diplomatic frontier simply for fear of offending Beijing," Chien argued.

It has been the ROC's established policy to promote China's reunification under the principles of freedom and democracy, Chien said. He added that before conditions for unification mature, people on both sides of the Taiwan Strait should respect and assist each other based on a feeling of brotherhood.

"We believe if the two sides can take part equally in international affairs and peacefully co-exist in the world community, it will help foster mutual understanding and mutual trust to pave the way for China's eventual reunification," Chien said.

He added it is regretful that Mainland Chinese leaders have ignored the general world trend of "replacing confrontation with negotiation", and instead continued to block Taiwan's participation in world organizations based on an outdated concept of "sovereignty."

Chien said the Ministry of Foreign Affairs has kept close watch on Beijing's recent irrational actions toward Taiwan, including canceling a planned high-level meeting between the two intermediary bodies on both sides, and conducting a series of guided missile tests just off Taiwan.

The minister said that although the international community does not agree with Beijing's military intimidation of Taiwan, it remains to be seen whether the world society will adopt a more supportive policy toward Taiwan's cause.

In any case, Chien said, the ministry will place priority on helping the international society understand the logic and necessity behind Taiwan's pragmatic diplomacy.

In light of the post-Cold War new world order emphasizing partnership and regional economic integration, Chien said his ministry will continue to promote pragmatic diplomacy, under the broad vision of upgrading Taiwan's international profile.

In addition to strengthening ties with its diplomatic allies, Chien said, the ROC will spare no effort to

develop substantive ties with countries with which it has not established formal diplomatic relations.

As a member of the world society, Chien said, the ROC will abide by international regulations and faithfully implement its international obligations. More importantly, he said, the ROC will continue to promote its bid to join the United Nations and other major international organizations to re-establish Taiwan's international status.

"By promoting our UN bid, we hope to remind the world of China's division," Chien said, adding that the People's Republic of China is by no means equivalent to all of China.

Stressing that the ROC has exercised full jurisdiction over Taiwan, Penghu, Kinmen and Matsu, and has never been subject to PRC rule, Chien said the ROC should have equal opportunity to take part in world organizations and events.

**Chien Fu Comments on Formal Ties With Palau**  
*OW2308030395 Taipei CNA in English  
0114 GMT 23 Aug 95*

[By Flor Wang]

[FBIS Transcribed Text] Taipei, Aug. 22 (CNA) — Foreign Affairs Minister Chien Fu on Monday [21 August] denied that Palau will soon set up formal diplomatic ties with the Republic of China [ROC], despite current cordial relations between the two countries.

Chien's remarks came following local newspaper reports that the island nation in the South Pacific might announce the decision by the end of September.

Although the two countries are working toward the goal, Chien said that it is "too early" to talk about the matter, as the time is not yet ripe.

Officials with the ministry also denied that Palau President Kuniwo Nakamura will pay a three-day visit to the ROC in late August.

Nakamura, who maintains good relations with Taiwan's business community, visited Taiwan late last year regarding bilateral investment cooperative ventures with Kuomintang authorities.

KMT officials in charge of investment business paid a return visit to Palau in May, and have decided to invest in Palau's hotel, land development, and aviation industries.

Currently, Taipei-based Far East Transport Corp. offers charter flight services between Taiwan and Palau.

**Concern Rising Over Failed Rocket Launch**

*OW2308033695 Taipei CNA in English  
0119 GMT 23 Aug 95*

[By Benjamin Yeh]

[FBIS Transcribed Text] Taipei, Aug. 22 (CNA) — The National Science Council (NSC) has conveyed concerns about the failed launch of the rocket LLV-1, designed by Lockheed-Marietta Corp., the U.S.-based company contracted to put Taiwan's first satellite, ROCSAT-1, into space.

Hu Chin-piao, NSC vice chairman, said the NSC has demanded that it be informed of the reasons for the recent launch failure.

According to foreign wire services, Lockheed-Marietta was forced to destroy the LLV-1 rocket two minutes and 30 seconds after lift-off of its maiden launch recently at the Vandenberg Air Base, California.

Lockheed-Marietta earlier this year signed a US\$17-19 million contract with the NSC for the construction of the launch vehicle for ROCSAT-1.

Under the contract, the satellite was to be launched by LLV-1 in April 1998. If Lockheed-Marietta's launch schedule remains intact, it will be the 12th LLV-1 rocket to carry ROCSAT-1 into earth orbit.

Hu said the NSC is keeping an eye on future launches of the LLV-1 rocket, saying the results will be used as a key reference on whether it should seek an alternative satellite launch vehicle.

The satellite itself is being designed and manufactured by TRW Inc. of the United States at a cost of US\$61 million.

Taiwan plans to put three scientific and communications satellites in orbit by the year 2006, at a combined cost of an estimated US\$500 million.

**Trade Group Views Closer Taiwan-Asuncion Ties**  
*OW2308034595 Taipei CNA in English  
0302 GMT 23 Aug 95*

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, Aug 22 (CNA) — Trade relations between Taiwan and Paraguay are expected to be further strengthened in years ahead, as Paraguay is being targeted as a springboard for Taiwan businesses to the vast South American market, the China External Trade Development Council (CETRA) said Tuesday.

The forthcoming visits to Taipei of President Juan Carlos Wasmosy, leading Paraguayan officials and business

executives starting Thursday will also help boost trade and business ties between the two countries, CETRA officials said.

Highlights of President Wasmoy and his entourage's activities in Taiwan from Aug. 4 - Aug. 27 will include the ROC-Paraguay economic cooperation conference and the signing of a bilateral strategic business alliance agreement between the two countries.

Two-way trade between Taiwan and Paraguay has continued to grow in recent years, reaching US\$108 million in 1994. With trade already exceeding US\$77 million for the first six months of this year, Taiwan-Paraguay trade is expected to top US\$140 million for the whole year, CETRA officials forecast.

Oriental City, a newly-developed multifunctional city on the left bank of the Paraguay River, is a promising location that Taiwan businessmen and investors can use as a gateway to the huge South American markets including Brazil, the officials noted.

According to a well-known U.S. marketing magazine, Oriental City posts an average of US\$12-14 million

worth of imports a year, with 40 percent of total trade conducted by Chinese businessmen.

The Paraguay Government has extended a keen welcome to Taiwan investment in Oriental City, hoping that Taiwan manufacturing industries in the city will help to accelerate industrial and business development in the South American country.

The ROC Ministry of Economic Affairs is also sparing no efforts in helping Taiwan investors to make inroads into Paraguay.

The international airport in Oriental City, completed in July, adds another plus for the investment climate of the city, CETRA said.

Cetra officials suggested that Taiwan investors set up their sales and distribution centers in Oriental City before considering relocating their manufacturing operations there. They reasoned that the majority of commodities the Paraguay and South American markets require are consumer goods with generally shorter market lives.

### Hong Kong

#### Reporter, Photographer Arrested During Test

HK2308075395 Hong Kong EASTERN EXPRESS  
in English 23 Aug 95 p 2

[FBIS Transcribed Text] A reporter, Wat Wing-yin, and a photographer, Tse Ming-Chong, from Next magazine have been arrested while covering China's missile test.

The pair went to Fuzhou province on Monday to cover how the test had affected local life but did not return as expected the same day.

The duo's relatives have gone to Fuzhou province but failed to get any information.

Last week an ATV [Asia Television] crew was chased away by the army in Fujian and was told a few reporters who had been reporting "illegally" had been arrested.

#### Qian Says No Post-'97 Press Censorship

HK2308020195 Hong Kong TA KUNG PAO  
in Chinese 19 Aug 95 p A2

[Report: "Qian Qichen Discusses Prospects for Hong Kong Newspapers, Saying There Will Be No Press Censorship After 1997"]

[FBIS Translated Text] On the morning of 18 August, Qian Qichen, vice premier of the State Council and foreign minister, met with the visiting Hong Kong Newspapers Union delegation led by its president, Teng Li-jen, at the Diaoyutai State Guest House in Beijing. Talking about the development prospects for Hong Kong newspapers after Hong Kong's return to China in 1997, Qian said he hoped Hong Kong newspapers would develop and improve themselves more healthily. The most fundamental thing is to hope that Hong Kong newspapers will advocate love for China and Hong Kong and approve Hong Kong's return. It is believed that Hong Kong newspapers will approve this point too.

Qian said: Hong Kong newspapers should serve Hong Kong people and observe the Basic Law. Moreover, the truthfulness of news is also very important because running a newspaper is not like writing a novel. Most Hong Kong newspapers have done a good job in reporting the truth, but it should not be denied that some have not been able to completely achieve this. Different papers may have different viewpoints, but the truthfulness of the matter should not be violated. All newspapers attach importance to their prestige, which is based on the truthfulness of reports. It is hoped Hong Kong newspapers will constantly raise their prestige in this respect in the future.

Qian added: In news reports, not only should there be press freedom but also the matter of ethical standards.

For example, we should not especially engage in sowing dissension and slandering. Newspapers should be run seriously, lively, vividly, and without falsity. It is necessary to stress professional ethics and newspaper character. Due to fierce competition in running newspapers, it is hardly avoidable that people will publish some sensational news, but there should a rational yardstick.

Qian stressed: There will not be any press censorship after 1997, but newspapers should be responsible to society. It is hoped that Hong Kong newspapers will develop healthily.

On the question of reporting Taiwan news, Qian said all newspapers can report all aspects of news about Taiwan, but he expressed hope that they will uphold the "one China" stand.

Zeng Jianhui, director of the State Council Information Office, its vice director Li Bing, and Sun Nansheng, head of the propaganda department of the XINHUA Hong Kong Office, also attended the meeting.

On the afternoon of 17 August, Lei Jieqiong, vice chairman of the National People's Congress Standing Committee, met with all members of the delegation at the Anhui Room of the Great Hall of the People and held a friendly talk.

The Hong Kong Newspapers Union delegation left for Beijing on 16 August and returned to Hong Kong on the afternoon of 18 August.

#### Mainland Body Wants Restoral of Martial Law

HK2308010495 Hong Kong EASTERN EXPRESS  
in English 21 Aug 95 p 2

[By Rain Ren in Beijing]

[FBIS Transcribed Text] China yesterday demanded that the Government restore legislation giving authorities the right to impose martial law. The Beijing appointed Preliminary Working Committee (PWC) said after a meeting in Beijing that the abolition of the regulations — together with the amendment of other legislation on public order — had made a "negative impact" on Hong Kong's disciplinary forces.

In June, legislation enabling the Government to impose martial law was found to breach the Bill of Rights and was repealed.

"The negative impact is an outcome of the implementation of the Bill of Rights by the Hong Kong Government, which has to be eliminated," Wong Shuwen, the leader of the PWC group on social issues, said.

"Since it is the Hong Kong Government that has created this negative effect on the disciplinary forces as a result

of amending and abolishing these legislations, it would be up to it to restore them," Wong said.

He refused to say how China planned to deal with the Bill of Rights, saying the Chinese foreign ministry had made its stance clear that the Bill of Rights was "in breach of the Basic Law".

Rita Fan, another group leader, said disciplinary officers had expressed their worries to the PWC group that the abolishing and amending of legislation had created difficulties.

Fan said she was told that police were often criticised for being unable to maintain social order during demonstrations.

"But there is nothing the police can do because under the new Public Order Ordinance, demonstrators do not need to register with police or give detailed information about their activities in advance — including the number of people planning to participate in the demonstration and how it would go.

"As a result, the police have no reference to arrange adequate personnel to maintain the smoothness of transportation and to make sure that other people's normal lives will not be disturbed.

'The police become the party who takes the blame. That is unfair for them.

"Things were quite different under the original legislations. It is only because of the Bill of Rights that these legislations were altered," Fan said.

The group has also worked out a "nine-point principle" concerning civil servants working for the disciplinary forces.

The group said that civil servants at all levels within the disciplinary forces could continue their service beyond the 1997 handover.

Chinese departments and troops to be stationed in Hong Kong should not interfere with the work of the disciplinary forces, it said.

#### **Reasons for Martin Lee's Visa Rejection Viewed**

*HK2308014295 Hong Kong TA KUNG PAO  
in Chinese 18 Aug 95 p A12*

[Dispatch: "Zhang Junsheng Says Martin Lee Chu-ming's Status Is Known to All, It Is Normal That His Application for Visa to Mainland China Is Rejected"]

[FBIS Translated Text] When asked yesterday by a reporter about the Chinese Government's refusal to grant a visa to Martin Lee Chu-ming, Zhang Junsheng, deputy director of XINHUA Hong Kong branch, replied

that Martin Lee Chu-ming's status is known to all. He is a key member of an organization whose aim is to subvert the Chinese Government. Hence, it is quite normal that he is not welcome by relevant departments in the interior.

Zhang Junsheng made these remarks in response to a reporter's question while attending the Third International Exhibition of Scientific and Technological Products yesterday. On a reporter's question about the People's Liberation Army's [PLA] military exercise conducted in the East China Sea, Zhang said: "I have stated before that the PLA's military exercise is very normal. It is necessary for the armed troops to conduct military exercises."

#### **Mainland Plans for Possible '97 Economic Trouble**

*HK2308060995 Hong Kong HONGKONG STANDARD in English 22 Aug 95 p 1*

[By Laura Chan in Beijing and Flora Wong: "Beijing Draws Up '97 Contingency Plans"]

[FBIS Transcribed Text] Chinese officials have worked out a contingency plan for a worst-case scenario of "minor" economic turbulence in 1997 triggered by the changeover, a Beijing official in charge of Hong Kong affairs says.

The official expressed concern over Hong Kong's rising unemployment, unstable stock market and declining property market.

However, he said he was confident Hong Kong's economy could survive minor fluctuations, while suggesting there might be small economic uncertainties around the date of the handover on 1 July 1997.

"It is a fact that (when) sovereignty is handed over from Britain to China, the changeover may have some impact on the economy," the official said.

He declined to go into details of the contingency plans.

"We have different levels of preparation, from the best to the worst, but I do not think Britain will disrupt the economy," he said.

"This is because Britain has to consider her economic interests in the Asia-Pacific region, particularly the huge China market."

The official said Hong Kong could maintain economic growth to face any difficulties after 1997.

"First, the advancement in port development, transport, infrastructure and the new airport projects will guarantee the territory's further economic progress."

"Second, Hong Kong will benefit from China's economic boom. Hong Kong and China are interrelated. I do not think China will hurt Hong Kong's economy.

"Third, most foreign industrial countries and the United States are starting to recover from economic recession. The US interest rate has reached its ceiling and most people expect the rate will drop in the near future.

"I think Hong Kong's economy will improve," he said.

A Hong Kong official warned against forecasting possible economic turbulence from a crystal ball. She said the analysis report on trade statistics, to be released today, and the half-yearly economic report out later this week would indicate that Hong Kong's economic performance was strong.

#### Airport Core Program Maintains Good Momentum

OW2208142195 Beijing XINHUA in English  
1253 GMT 22 Aug 95

[FBIS Transcribed Text] Hong Kong, August 22 (XINHUA) — Good momentum is being maintained on

HK New Airport Core Program (ACP) with the seven government projects well on target for completion by mid-1997, Director of the New Airport Projects Co-ordination Office, Billy Lam, said today.

Lam said work at the new airport site and on the airport railway was making very good progress towards the target of having both operational in 1998.

"Hong Kong can look forward to having a world-class international airport, with speedy and efficient road and rail links," said Lam.

He said the number of major contracts awarded under the ACP had now reached a total of 147, valued at 90 billion HK dollars.

Stringent monitoring of both the progress and the cost of the ACP would ensure the program be completed within the total cost estimate of 158.2 billion HK dollars, he added.

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